

1962

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IN THE COURT OF THE TRANSPORT TRIBUNAL

IN THE MATTER OF THE APPLICATION (1962 No. 2) MADE BY  
THE BRITISH TRANSPORT COMMISSION IN PURSUANCE  
OF SECTION 23 (5) OF THE TRANSPORT ACT, 1953

FOR THE ALTERATION OF THE  
BRITISH TRANSPORT COMMISSION (PASSENGER)  
CHARGES SCHEME, 1959

FRIDAY, 22nd JUNE, 1962

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SIXTH DAY

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# PROCEEDINGS OF THE TRANSPORT TRIBUNAL

FRIDAY, 22nd JUNE, 1962

## PRESIDENT:

SIR HUBERT HULL, C.B.E. (*President*)

J. C. POOLE, Esq., C.B.E., M.C.

H. H. PHILLIPS, Esq., O.B.E.

Mr. E. STEWART FAY, Q.C., and Mr. T. R. CRAWFORD (instructed by Mr. M. H. B. Gilmour, Chief Solicitor to the British Transport Commission) appeared on behalf of the British Transport Commission.

Mr. R. W. GOFF, Q.C., Mr. LEON MACLAREN and Mr. GEORGE MERCER (instructed by Mr. J. G. Barr, Solicitor to the London County Council) appeared on behalf of the London County Council.

Mr. S. H. NOAKES (instructed by Mr. W. O. Dodd) appeared on behalf of County Borough Councils of Brighton, Eastbourne, Hastings and the Borough of Worthing.

Mr. D. COLLARD (indicated by Mr. E. R. Farr) appeared on behalf of Barking Borough Council and South Essex Traffic Advisory Committee.

Mr. E. A. MACHIN (instructed by Mr. D. Heap, Comptroller and City Solicitor) appeared on behalf of the Corporation of London.

Mr. P. M. VINE, Deputy Town Clerk, appeared on behalf of the County Borough of Southend-on-Sea.

Mr. B. SLATER, appeared on behalf of the County Borough of West Ham.

Mr. F. H. B. CLOUGH, appeared on behalf of Middlesex County Council.

Mr. L. F. N. INNES, appeared on behalf of Surrey County Council.

Mr. J. LANGLEY, appeared on behalf of Leyton Borough Council.

Mr. F. A. RULER, represented the Federation of Residents' Associations in the County of Kent.

(*Mr. Langley*): Sir, I apologise for not being here yesterday afternoon when the opportunity was given, but I would be obliged if I could very briefly address you now on behalf of Leyton Corporation.

(*President*): Certainly. We went rather more rapidly than we might have anticipated.

(*Mr. Langley*): Our Objection is No. 24, Sir.

I have very little to say. First of all, we do fully support the Objection lodged by the London County Council and we also support the Objections of those Authorities which are neighbours of our own; in fact, you will see that our Objection is almost identical with those of West Ham, East Ham and other neighbouring Authorities.

I have very little to add to what we say in our Objection. In ground 1, however, I would mention that where we say that such increases as are now being made place an unreasonably heavy burden on certain sections of the community, notably on those workers from Leyton and elsewhere who have to live at the suggestion of their local authority in housing estates constructed under "out-borough" building programmes in rural and semi-rural areas, we would stress that in Leyton the housing position is very acute. It is completely built-up and there are no areas where we can develop new housing accommodation, and we have had no alternative but to construct these housing estates away from the Borough, in fact some considerable distance away. We have one at Shenfield and another one is in the process of construction at Whitford. We feel that with these increases in fares there could be the possibility of the success of these housing programmes being prejudiced.

Passing to Ground 3, we think it unfortunate that the 1½ miles and 2½ miles stages are being abolished. We feel that in London Transport, and the London area generally, the financial position is not quite so acute as in the rest of the country and something could have been done to relieve Londoners of some of these fare increases.

Ground 5: There is no doubt that road traffic, especially to and from Central London during the rush hours, is increasing and the probability that one of the causes of this is due to the increases in fares cannot be ruled out. The effect of this increasing traffic is not only that main

roads are being congested, but drivers, in order to avoid the congestion on main roads, are trying to find short cuts and are using by-roads, and this does, we feel place a heavy burden on the Highway Authorities.

Ground 6: This is possibly irrelevant to these proceedings, but, nevertheless, Leyton are of the opinion that disproportionate emphasis to the financial aspects of the transport undertaking is given and that it should be regarded as a service more than it is.

Because these increases do have far-reaching effects, not only on individuals but also on Local Authorities, we do object strongly to the Application for these fare increases.

(*President*): You are really echoing there a despairing cry of Mr. Geoffrey Lawrence last time we held this Inquiry that London Transport have developed into nothing more than a lot of accountants. What you are really saying in your paragraph 6 is that pounds, shillings and pence are not the whole of the story.

(*Mr. Langley*): Yes.

(*President*): Are there any other late-comers? (No reply.)

(*Mr. Fay*): May it please the Tribunal: my closing observations form the last stage of the public part of the Inquiry into a fares Application which, apart from being the last of the series, has been noteworthy, somewhat unusually, for the speed with which it has been conducted by, I venture to think, all concerned. We seem to have finished rather more quickly than we had anticipated, perhaps partly due to another noteworthy feature of this Inquiry, namely the absence of evidence on behalf of any of the Objectors except on behalf of the London County Council. There has been a lot said by advocates on questions of fact; indeed, the shoulders of the Commission have been saddled with the shortage of establishment in the City of London Police and with congestion at Stratford Broadway, and all sorts of other matters of fact on which no evidence whatsoever has been given, and I venture to think the Tribunal will pay little attention to matters which are fact and which are not presented to the Tribunal by way of evidence which can be cross-examined to.

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[Continued

With that preface may I come, consonant with the desire to be concise which seems to have animated all of us, to the position of London Transport.

I said when I opened this case before Whitsun that the approach to this Inquiry was that it was a holding operation, and that with regard to the impending change in the law it was wrong to take into account whatever might be the position of the new Board which may well be set up in the not too distant future, although it was, of course, right, I then submitted, to pay attention to the fact that there was a change coming and that we did have some fairly definite indications of the intention of the Government with regard to dates and other matters. There seems to have been little controversy over these matters of approach. My learned friend Mr. Goff has not only agreed with the approach of the holding operation, he has in fact adopted it. He also says he agrees with the position that it is wrong to consider the position under the new Board to be set up, although observe that has not prevented him looking to the figure given by the Minister of £6.3m. as the commencing debt of the new Board and trying to derive some comfort from it.

What comfort he really can derive from it I am not clear, because the £6.3m. interest charge is higher than the interest charge which we put forward as being the interest charge during the present year. Our figure is £6.23m. according to the specific approach, the comparable approach, and that appears in column 11 of EA 4. You recollect, Sir, that Mr. Evershed, because the Minister's figure was higher than his, said he thought that was one of the reasons why the Minister's figure must relate to the whole year 1963 and not merely to the commencing rate of interest at January 1st, 1963, that being the target date.

May I say a word about what I meant, and still mean, by a "holding operation." What this case is put forward as is a case based on the proposition that the organisation of London Transport should continue operating at the same level of surplus as in the recent past, doing no more than to increase revenue to match increases in wages and prices. That is broadly the approach, and the object is to provide a margin or surplus, call it what you will, which is similar in amount to those in recent years. So it cannot be said that the passengers of London Transport are being asked to produce a surplus which is either substantially greater or substantially less than they have been asked to do in the recent past. There has been no dispute whatever over the figure which was given in evidence of £2.7m. as the increase in wages and price levels. We simply ask—and this was the broad approach—that that increase be passed on to the passengers, because it is an increase in the cost of providing them with their transport, and passed on by increasing the yield under the Application, so far as London Transport is concerned, by £2.6m.

The effect of this as a holding operation can be demonstrated by two tables which are before the Tribunal, one produced by each side; my table is AE 4 and my learned friend Mr. Goff's table is SWH 3. If I might look first at AE 4 I can adumbrate what I mean by saying that it demonstrates the holding nature of this Application. Both of these tables, of course, were produced with a different object, that of ascertaining the Central Charges; but they have this great advantage, that both of them do show, in separate ways against separate years, the figures thrown up for both Central Charges and surplus.

AE 4, the Commission's specific approach, shows (in column 15) the surplus or deficit for the year. I cannot go back earlier than the 1960 which is shown here because the year 1959 appearing on the predecessor of this document was an exceptional year and, in fact, produced a deficit; but the year 1960, which was the year after the decision of the Tribunal in which it was said that after Central Charges charges should be such as to aim to produce, other things being equal, a surplus of about £2.5m., in fact, according to our estimation of Central Charges, produced a surplus of £1.3m.; that is column 15, 1960.

(President): We said in 1960 and 1961, did we not?

(Mr. Fay): Yes, Sir, and this is 1960.

For 1961 the surplus produced after our figure of Central Charges is £0.68m., and the final year, 1962, is the year now in issue. The average of 1960 and 1961 is £1m., and our proposal produces the result shown in the bottom line of this table, a surplus of £0.76m., a little above last year, well below the average for the two preceding years. What we are saying is simply: Look back. You cannot look back to 1959 because there was a deficit, but look back to the two years 1960 and 1961 and see what level of surplus was being actually earned by London Transport Executive after Central Charges. For this purpose it does not matter at what level Central Charges are taken. Our Central Charges throw out these figures, but what we are doing is saying: Well, give us this year a surplus which is no more, and in fact is less, than the average of those two years although fractionally more than last year.

One can go through precisely the same exercise with SWH 3, where the figures appear in column 12. Mr. Hill's table, of course, produces a lower figure for Central Charges and, correspondingly, a higher figure for surplus. They are the same figures in both tables. If you add together the Central Charges and the surpluses in each of these years in both tables they come, as of course they must, to the same figure; but with his lower Central Charges Mr. Hill (in line 12 of SWH 3) produces for 1960 a figure of £1.98m. just under £2m.—demonstrating, incidentally, that even upon his low figure of Central Charges (which, of course, the Commission do not accept) the surplus did not reach the figure aimed at by the Tribunal's decision of the previous year. His figure of surplus for 1961 is £1.42m. and the average is £1.7m., and this year's figure—and he agreed with me that his line 5, 1962, is an attempt (indeed the same attempt as ours) to show result for 1962 at the present level of fares, that is assuming that the present level will be continued by the order of the Tribunal upon this Application to the end of the year—is a figure of £1.54m.

So, therefore, his table shows, just as AE 4 does, that what is aimed at in the present Application is a figure of surplus for this year which is marginally above 1961 but well below the average for the two preceding years. If it had been taken on the average of the two previous years I should have said that was the target for a holding operation, but we are seeking, in fact, to hold slightly lower, owing to the way the money comes in at different fare values, but only slightly lower, than the average for the two preceding years. So if we err, we err in a direction which ought to commend itself to my learned friend's clients. That is what I mean by a holding operation: a level of fares which will produce a similar sort of surplus, certainly not greater than, has been enjoyed under the regime which started with the Tribunal's decision of 1959, and in my submission that is a proper approach to present for the transitional period.

Taking that approach has this at any rate forensic advantage, that one need not bother at all about the size of Central Charges, because whatever the Central Charges are, the relationship of the surplus year by year will remain similar. There will be fractional differences because, of course, the lower the accumulated deficit the less that element in Central Charges. I am not saying the figures march exactly in step, one has only to look at them to see that there are marginal differences; but they are marginal and they do not affect the validity of my argument, which is that whether you take our figure of Central Charges or whether you take Mr. Hill's figure of Central Charges or whether you take some intermediate figure, the surplus for the year after paying Central Charges—where everybody agrees must be paid—is going to be something a little above last year and well below the average of the two preceding years, and if that is so, then it is a holding operation—not quite holding, but almost holding—and that is what we are aiming at in this Application.

(President): This is a new principle: no worse than last year or no worse than the average of two or three years before?

(Mr. Fay): It is inherent in the present position and it is an illustration of what I meant by saying a "holding operation."

(President): But that is a new principle, is it not?

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[Continued]

(Mr. Fay): It is hardly a "principle", Sir.

(President): A new method, a new approach.

(Mr. Fay): It is a new result of a new situation.

(President): You are now merely talking about the calendar year of 1962, are you not?

(Mr. Fay): Yes; I am saying we should tick over at the same sort of rate because there is a change coming, and I want to elaborate, with reference to Mr. Hill's evidence, that aspect of the matter.

(President): Of course, the other way of approaching it is to say: Forget about the new legislation and the forthcoming change and look at the matter as we have looked at it in previous Inquiries taking the future year, namely a period of time which begins at or slightly later than the date of the Inquiry, projecting one's mind to the future twelve months. And if one does that, over that future year in present circumstances, taking Central Charges at £7m., you are, on your own figures, going to receive a surplus of £2m.

(Mr. Fay): Yes. If there had not been this impending change we should, as I conceive it, be bound to have come here and said: Look at the White Paper, look at the Tribunal's decision of 1959. We want Central Charges plus something of the order of £2½m., and for the future year we fall short of that because this line 12 of SWH 6 (the line I wrote in yesterday with Mr. Hill) shows the surplus available is £9m. in the future year.

(President): If you get what you are in fact asking for now you will, for the future year, be realising a surplus of £2m.

(Mr. Fay): Oh, yes.

(President): The "future year" being defined in the way it always has been defined, assuming no change in real wages and prices?

(Mr. Fay): Yes. We have suffered a jolt in the beginning of 1962 which will not be recovered during 1962, and since 1962 looks like being the last of the years of the London Transport Executive it is right to look at it, in my submission; but it is equally right to look ahead and see whether in principle there is any difference between this Application and any past Application, and upon that view of the matter I submit that this Application falls a little short of the target which, according to our lights, we should have been aiming at had there been no impending change. We are really explaining why we have not asked for as much as, according to our rights, we ought to ask for. We have not had much credit for that from the other side, but that, in fact, is the position.

There is the position. Whether one looks at the current year (which one does for the purpose of the holding operation) or whether one looks at the hypothetical future year (which one does for the test of applying the principles which have applied in the past), the result is fortunately much the same. The result of the application of the current year is to hold, almost, and the result for the forthcoming future year, according to our view of Central Charges, is not to reach the target by £1m. because we show a surplus of £1.5m. as against the £2.5m. which we think we are justified in taking in view of the Tribunal's decision of 1959.

That is the way in which the matter is put. Whether it is tested in the way Mr. Winchester suggested or tested in the peculiar circumstances of the present day against the results for the present year, in my submission, this Application ought to be granted.

(President): Do you carry in your mind, or can someone sitting behind you bring out of their minds, what is the figure required for the uplift of depreciation put forward at the Inquiry in respect of which we gave our interim decision?

(Mr. Fay): The figure I have in my mind is £2.1m, but I may be quite wrong. It was certainly higher than £1.7m.

(President): Perhaps someone can look it up.

(Mr. Fay): Yes. I remember thinking you had not given us very much for the general reserve over and above replacement.

(President): One can find it, of course, quite easily by looking in the appendices where the discussions took place after our interim decision.

(Mr. Fay): Yes.

The evidence against the Commission's case has been that of Mr. Hill, and his evidence has fallen into two parts. Firstly he said he adheres to his previous views about Central Charges, and I am not going to waste a moment over that. We have been over the differences between Mr. Hill and the Commission on two previous occasions on the existing pattern of documents and on innumerable occasions before that, and I venture to think the Tribunal must have decided where the truth lay as between Mr. Hill and the Commission both in 1959 and in 1961 and I am not vane enough to think that any advocacy of mine can disturb the view you formed in reaching your decision; I am content to leave the question of Central Charges there.

So far as this current year, 1962, is concerned, as I say, the quantum of Central Charges does not matter, because if the aim is to keep the organisation running over at the same rate for the current year as in the past calendar years pending the change—and I am going to submit that is the fair way of approaching the pending change—then for the reasons I have given it does not matter a bit whether you accept Mr. Hill, or Mr. Evershed, or a stand-point in between. It does, of course, make a difference, as you pointed out, if one does consider the notional future year, but there I am not going to attempt to disturb any view that has already been formed by the Tribunal upon this dispute between the two sides. The Tribunal has given hints, and we went last time through an elaborate exercise to show Mr. Hill—and it is the first part of my cross-examination of him—the reason why we thought we could clearly deduce from the decision of 1959 the fact that the Tribunal had taken a Central Charge of £6m. on that occasion.

(President): I think the only thing we have made clear—assuming we did make it clear—or the only thing we intended to make clear on that matter, was that we do not think any purely mathematical process will give you the proper figure.

(Mr. Fay): There have been let fall observations which led me to think that the dowry does not commend itself to the Tribunal. I do not want to pursue those matters because it seems to me to be idle to try and disturb the view which the Tribunal must have formed on the two previous occasions.

(President): I think I have also let drop hints that on the specific approach there is something to be said in favour of the opponents' view on surplus lands.

(Mr. Fay): I thought you said the opposite on one occasion.

(President): In the 1953 memorandum we were not dealing with the specific approach and we dismissed the surplus lands, but I think you will find that when we were engaged in the 1959 Inquiry I did, incautiously and without consulting my colleagues, say I thought on the specific approach there might be a reason for allowing, as a revenue credit to London Transport, something in respect of what we then knew as surplus lands, not to be mixed up with surplus funds.

(Mr. Fay): Yes. You did refer yesterday to the fact that the Tribunal, in the memorandum of 1953, did find a figure of £5.4m., and I do remember making use of that at one of the recent Inquiries and pointing out that it differed by only £0.1m. from the figure for that year thrown up by PJ 16.

(President): I think you are a little wrong there. The future year was a bracketing year, and I think you will find that PJ 16 probably comes out at £5.6m. for that comparable period.

(Mr. Fay): I am not concerned to argue, as I say, about £0.1m. or £0.2m. Indeed, I am not seeking to produce



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[Continued]

any further argument on this occasion about Central Charges. I am quite content to say our standpoint is as before, and to treat the Tribunal, if you do not think it disrespectful to the Tribunal, as I treated Mr. Hill by saying that there is no change; his view is known and our view is known, and I do not seek to disturb the Tribunal's view.

(President): Unless under the new Act there is an increase before the vesting day of the London Board, this will be the last occasion on which we will have to bother about Central Charges.

(Mr. Fay): Yes; no doubt ingenuity will find some other fields to investigate, but that one looks like being closed, certainly as regards the 95 per cent. element of interest.

(President): It makes one sentimental to think of the various rabbits that have run across the field and been entered year after year. Freight rebates comes to mind, and special provision for Southend is another to which I remember we devoted a lot of time.

(Mr. Fay): I was about to interpolate the view that in one's nostalgic looking backwards at all the arguments that have been bandied to and fro about Central Charges, it would be nice if the Tribunal said what they found on this occasion, if only because it can never be used against them or future Tribunals!

If I may pass on from that topic, the only other contribution of Mr. Hill, as I analyse his evidence, to our counsel on this occasion was the proposition that in the present circumstances, and in view of the impending change, no surplus whatever ought to be aimed at for the current year because any surplus would be wasted. That was the view he put forward, and he said, rightly enough, that the deficit of the Commission, which includes an element of deficit of the London Transport Executive, was going to be written off; that any surplus earned this year, like the surpluses earned in the previous few years, would fall to reduce the amount written off, and, therefore, we ought to avoid a surplus—

(President): Is that the right way of putting it? What it does is this: the higher the surplus on all activities other than British Railways the greater the aggregate of the commencing capital debts.

(Mr. Fay): Yes.

(President): It comes to the same thing.

(Mr. Fay): Yes, and the balance is written off. The National, having lent money to the Commission to finance the deficits, is now writing off the balance, but it is the balance less the surpluses earned by the activities other than British Railways in the years commencing 1956. It is, perhaps worth noting the words of the clause in full. It is now clause 38, sub-clause (3), paragraph (i).

(President): It is 37 in the deposited Bill, Mr. Goff.

(Mr. Fay): It is 39 in the copy I have, but I am told it is now 38. I hope the wording is the same.

(President): I think mine is as it left the Lord's Committee.

(Mr. Fay): Mine is as it went to the Lords. I am sure the wording is the same.

(President): Anyway, the clause we are talking about is 38 in my copy, and the sidenote is "Commencing capital debts of the new bodies."

(Mr. Fay): Yes. The structure of clause 38, as I see it, is that there shall be commencing debts of a certain amount. The commencing debts shall have deducted from them the amount set out in the opening words of sub-clause (3)(a), (b) and (c), and from the deduction there shall be deducted the amounts we are concerned with.

(President): It is  $x$  minus  $(y \text{ minus } z)$ .

(Mr. Fay): Yes. Which means, if I can encompass the double negative, that the amounts in paragraphs (i) and (ii) are to be added to the commencing debts or any other amounts not to be deducted from the amount written off, and those amounts are described as the net surplus on revenue account for the Commission's activities excluding

British Railways for the period from the beginning of the year 1956 to the end of the period for which the final accounts of the Commission are made up.

I recited to Mr. Hill yesterday the amounts appearing in the accounts for 1960 representing that sum. This morning, hot from the press, I can cite to you, Sir, the amounts appearing in the accounts for 1961, and they are larger.

(President): Section 38 contemplates a final account of the Commission drawn up in such a form that it will show somewhere the aggregate of the surpluses earned by all activities other than British Railways for the years beginning on the 1st January, 1956.

(Mr. Fay): Oh, yes, which must be the sum of the surpluses shown in the various accounts preceding today.

(President): Has someone added that up to the end of 1961?

(Mr. Fay): No, I do not think they have. I do not know that it matters greatly, but the figure I put to Mr. Hill yesterday was £11.8m. Mr. Winchester reminds me it is added up in the balance sheet. I do not know if you have got the new accounts?

(President): No, I have not. I expected to find them hotter from the press on my table, but they were not there.

(Mr. Fay): I believe I have got the only copy which has come into this side of the room. But no doubt there is a similar figure on the liabilities side of the balance sheet in the 1960 accounts under the heading "Net Revenue Account surpluses for years 1956 to 1960," and that figure was then £30.7m. Now in the document which I have in my hand it has risen to £44.6m. That is the sum which falls to be deducted from the amount written off. Of course the amount written off will vastly exceed that sum, and so far as the construction of separate accounts for London Transport is concerned, the amount to be written off will, according to which view you take of Central Charges, be the sums which appear as the accumulated deficit in either of the two documents to which I called attention earlier.

(President): Of course, whilst Mr. Goff said he did not shrink from that argument of Mr. Hill's, he did point out, rightly, that the County Council's case did not depend upon such an argument, because on their own figures they were providing for a surplus.

(Mr. Fay): Yes.

(President): You draw it, but that does not necessarily represent the case he is putting.

(Mr. Fay): Mr. Hill said in terms "the London County Council show a surplus on my figures of £1.8m., and I regret it"—it is regrettable there should be any surplus. He went to the logical end of his argument, or almost to the logical end, and he was saying, as I understand it: "Now we know the machinery which is going to be operated, we can see a means of shifting this"—these are not the terms he used, but the effect of the attitude is to put some of the expenditure from the traveller on to the taxpayer, and since that appears to be something which is under the control of the Executive, it should be followed. That is the effect, as I submit, of his line of argument.

(President): Yes, he is saying that, but it is a surprising view. What would have happened if, immediately after the Bill, the B.T.C. had announced their intention of saying that all the activities other than British Railways did not earn any surplus, even though they did. I cannot help thinking it would have resulted in an immediate direction from somebody, or in an alteration in the Bill.

(Mr. Fay): Yes. According to Mr. Hill the activities other than British Railways, of the Commission, have been acting foolishly in running up these surpluses since the Bill was adumbrated, and I suppose an intelligent person might have foreseen it as from the White Paper and therefore I submit it is their commercial duty of producing a surplus and further I submit that the view which Mr. Hill takes is one which cannot for one moment be followed.

I see now that the accounts have arrived.

(President): Do you desire to look at them, Mr. Goff?

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[Continued]

(Mr. Goff): No, Sir, not for the moment, thank you.

(Mr. Fay): Mr. Hill's standpoint is acceptable if one looks at the matter from the point of view of the consumer of the service, but the real difference between Mr. Hill's approach and the approach of the Commission is that the consumer's view, although highly important, is not the only view, and the only interest which has to be considered. There is the interest of the owner of the Undertaking, which is the Nation, the Government or the Taxpayer, whichever phrase one cares to use, and at this Inquiry and in view of the impending change it is in my submission important to hold the scales fairly between the interest of the passengers on the one hand and the owners on the other, and that is indeed the major justification for the need for this Application, which is the holding operation.

If the Commission had been as extreme in their views as Mr. Hill was in his, they might well have said: "Well now, here is the London Transport with an accumulated deficit, according to Mr. Hill's figures at the end of 1961, of £10.5m.; we must do all we can during 1962 because it is the last opportunity to repay that money to the taxpayer, because we find it will be written off if we do not, and the taxpayer will be out of pocket." That would be unfair to the passengers, and we simply feel we have to steer a middle course and we are asking the Tribunal to assist us to steer a middle course between the interest of the owners on the one hand and the taxpayers on the other. We say the only course is to say: Go on as we have been going on and there can be no complaint that we have failed on the one or the other, and that is what we are asking to do. For the future year basis it is the case as before; from the current year basis it is the actual surplus as before, and on all views there is no attempt to strain the organisation to repay the money by which passengers have, for the 14 years past, failed to pay their way, nor on the other hand is it an attempt to profit by the situation and give the passengers a bonus which is there because the mechanics allow it to be passed on to the taxpayers.

The reasons why Parliament has entertained a Bill which contemplates surpluses on activities other than British Railways are reasons founded in my submission in commercial duty, moral duty, and indeed, legal duty, because we still are operating under the legal framework of the Transport Act of 1947 as amended. The British Transport Commission and the Tribunal are still subject to Section 85 which provides that: "Neither the Commission nor the Transport Tribunal shall do anything in the exercise of their respective powers as respects charges and the submission, confirmation and alteration of charges schemes which in their opinion will prevent the Commission from discharging the Commission's general duty to secure that their revenue is not less than sufficient," and then there follows a phrase which I interpret as meaning "making ends meet." We are still subject, with that qualification introduced by the Railways Finance Act to the duty to make ends meet and we are still subject to Section 93 which provides that: "The Commission shall charge to revenue in every year, all charges which are proper to be made to revenue, including, in particular proper allocation to general reserve, proper provision for depreciation or renewal of assets and proper provision for redemption of capital," and so on. The "proper allocations to general reserve, proper provision for depreciation or renewal"—what is "proper" is made manifest in the White Paper.

That is not only pertinent to Mr. Hill's point, which as you pointed out is not supported by his clients; it is a justification for the holding operation in my submission because it brings out into the open the spotlight, the fact that there is and there is capable of being a conflict between the interests of the passengers and the interest of the taxpayers, and the only course to steer between those interests is the middle course and is the course of the holding operation.

I did glance with Mr. Hill yesterday at the financial position of the new Board, and I did so because of something which fell from you, Sir, on the day for which we have not yet received a transcript. I cannot therefore refresh my memory here from the actual transcript, but in so far as it is proper to look forward to the position under

the new regime, I submit it supports our case, but I would qualify that by submitting that we are here—

(President): What did you say this was?

(Mr. Fay): I think it was last Wednesday, Sir.

(President): I always regret when I get these things and read them, because nearly all my interventions are either ungrammatical or they unnecessarily lengthen the Inquiry—or both!

(Mr. Fay): My learned junior points to the bottom of page 81, Sir, column 2, the last paragraph but one, where, if I may quote what you say, it is this: "But if we are to think about next year at all, and think about next year as being a year under the new regime, we must take the Financial Secretary's estimate into account as being the interest charge which will have to be borne as from the 1st January, if that be the commencement date. To say we do not take it into account is wrong, of course we do take it into account, and we have then to form our own ideas as to how much Central Administration and other matters have to be added to get a true Central Charge."

(President): That seems to be all right. Mr. Evershed expresses the view as to what the Central Charge will be other than the interest charge.

(Mr. Fay): Yes, he went on up to £0.4m. May I submit that operating as we are under the Transport Act and under what I may call the old regime of the London Transport, in this context we ought not to look forward to more than the fact that there is to be a change. As I think you said yesterday Sir, it is quite impossible to form any detailed view as to what the financial obligations of the new body will be. We have been given, by the Financial Secretary, a forecast of the interest burden, but there are many other matters on both sides of the revenue account which remain, subject to discussion as has been said, uncertain, and I would submit that the most one can do with the finances of the new body is to look at them rather in the way one has to look at London Lines and say that if the new body inherits the result of this Application, is that going to produce a result which is demonstrably either too much or too little, and if it did, one might have to take into account in my submission the figures thrown up for a future year so that there is no disparity between what might well be the subject of margins of error, the financial needs of the new body, and the financial product of the present maximum charges which we are seeking to be made permanent. In my submission that is as far as one can go. What we know is that the new body is forecast as having to find £6½m. interest; there is something to be added, but it is for expenses hitherto in Central Charges, and Mr. Evershed thought the figure was £0.4m. and Mr. Hill thought the figure was about £0.2m. If we take the figure as £0.3m. which is halfway between the two, and add the replacements reserve figure which Mr. Hill thought would be at least £1.7m. at 1962 and which he thought would increase, if we add up those figures we arrive at £8.5m., and that takes into account nothing for the general reserve spoken to in the second branch of the White Paper's policy statement as to surpluses.

You find, even before one embarks upon the question of general reserves, someone may have to set— which will be the subject of discussions—a target, and Mr. Winchester gave evidence that is to be done when the new body is formed. Then when one finds the future year, and I am looking here at document S.W.H. 6, the new line 12 which I put in, the following year under present circumstances yields £9m., and when you further bear in mind that Mr. Hill agreed that the expenses in 1963 were likely to be greater because he thought prices would rise and he agreed that depreciation was bound to rise, then one sees that the future position cannot be very far off what will obviously be needed, plus or minus, by the new body in so far as one can form a view as to what the new body needs. It is a very rough guess; it is a consideration of unknown quantities. We are dealing with something not yet set out, and in my submission one ought to go no further than that if indeed one goes that far, because the real position about this new body is this, is it not, that the Nation as owners are winding up the present setup; they are, as it were, taking all the assets into their own hands

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and thus creating a new body; they are handing over the assets to the new body, and when that new body comes—

(*President*): Handing the assets to the new body—you do not in fact know what will be the property rights and liabilities which the new body will be responsible for, do you? We are told in the Bill that there will be transferred to them property rights and liabilities comprised in the Commission's Undertaking which are carried through or managed by the present London Transport Executive, presumably speaking at the time when the Act comes into force. I suppose it is possible if one really understands these things to be able to identify each bit of property and each of the rights, and each of the liabilities, which are at present in the hands of the London Transport Executive?

(*Mr. Fay*): It may be someone will have that task, Sir, but it is not the task for the Tribunal, fortunately, and one does not know except in the broadest fashion, what the results, what the financial needs will be.

(*President*): But you have not mentioned the new borrowing. All things are reasonably certain, but there may be borrowing in the course of 12 months. Whatever may be the effects of that upon the new body, it will not come with a dowry, will it?

(*Mr. Fay*): No Sir; It will not come with cash in hand, no. Whether it will get any other kind of dowry I do not know. You mentioned yesterday—

(*President*): Property rights and liabilities.

(*Mr. Fay*): We do not know, and I do not think it has been made public that there is any other kind of dowry, but there may be. That is another unknown factor, and it would be idle in my submission to attempt to do any kind of detailed calculation, but what one does know leads one to suppose that the present charging powers will be neither far too great nor far too little for the new body, and if one can say that, in my submission one ought to pay no further attention to the fact that there is a new body. That is all I have to say about the general financial picture of London Transport, Sir.

May I now come to the scales which we propose in this Application should be made permanent and which are in force to-day? There is no criticism of these scales as I understand it on the basis that the revenue is needed, with the exception of the deploring by the London County Council of the disappearance of the half mile stage at two points in the ordinary scale.

They have produced a scale, producing a lower revenue with three half mile stages, but they have not done what one would have anticipated they would have done, if they really felt so strongly as they say they do about the half mile staging. They have not produced a scale with two or more half mile fares in it which produce the sum which we say is necessary, and if you agree, if the Tribunal agrees with the Commission's contention that the sums produced at present are needed to be continued, then you are offered no alternative whatever to our scales. You are left with a vague criticism or lament for the passing of the half mile stage. That, I think, is the state of the evidence and of the argument.

If those two half mile stages which were put in at the instance of the Commission are not forced upon the Commission by the Tribunal at the request of the London County Council—although the London County Council have been protagonists they say for half mile staging for many year—then £1,224,000 has to be found somewhere else if we need our revenue requirement. That is, if they are left in, but sums of that magnitude can never be found in the lower mileages. There is no way of finding that sort of sum except on the method, we have put forward, and an alternative to it, I repeat, has not been proposed by the London County Council. We are left with a scale which, in my submission is a reasonable one and corresponds exactly in the lower ranges, exactly to the pre-war scale when there was a penny a mile. The pre-war penny is now threepence, according to most of the indices of the cost of living, and we have a scale for the first four miles which is threepence a mile—it is threepence, sixpence, ninepence and a shilling, for one, two, three, and four miles, and that in my submission, when one tests it against the

fall in the value of the currency and looks back to the position before the war, I repeat indicates no alternative has been suggested.

As to seasons, I do not think I need spend much time on the proposals. Our proposals are in step, and the season ticket rates in force today are in step with the ordinary ticket rates, and there must be a relationship between them, because the essence of the season ticket is that it offers an advantage, and a growing advantage as the distance increases, to the regular traveller, but the London County Council has proposed a somewhat remarkable scale which destroys the uniformity of the scale and incidentally reduces the revenue of British Railways outside London—unless they are in truth proposing two scales, one in the London Area and one outside. I think I hear my friend say that they are.

(*Mr. Goff*): I said we are not. I never put forward two scales; I put this forward as a general season ticket scale.

(*Mr. Fay*): My learned friend is seeking to put on British Railways outside London a scale with half mile charging which is out of step with the threepence a mile rate which is now operative under the scheme of British Railways as a whole. My learned friend was very anxious that there should be no changes of principle on this scheme in view of the impending changes, but how he makes the suggestion that his scale is better in principle, I do not know. There have always been one mile stages in season tickets scales, as there has in other ticket scales, and this scale involves, without any corresponding introduction of half mile ticket stages for ordinary tickets, reducing one man's ticket and leaving his neighbour's ticket unaffected. If one plotted the discount thrown up by the London County Council's suggestions on the graph, as has been done in the past, the graph, instead of being a curve would be a series of short zig-zags, and that shows how unjust this proposal is.

If one looks at document L.C.C. 1 one sees that the first three of the half mile proposals produce a figure which is less than the scale which is the maximum and the actual which have been in force throughout the country since last July. The first three, as appears from the minus marks in column 6 are below Part I of the Tribunal's schedule promulgated last time. They are below the fares in force as maxima down to last January. The next two, the 4½ mile and the 5½ mile are in fact below, as one can see by comparing those with the schedules to this scheme as amended, the maxima which have been in force since the 1st January of this year, although not brought into practical effect. So with the first five of these half mile stages the London County Council are proposing stages lower than those authorised since the 1st January and the first three lower than authorised and in effect since last July—authorised since last June and in effect since last July.

There are some very remarkable results of this half mile season ticket scale. One has only to look, for example, at document L.C.C. 3 and look at the 5½ mile and the 6½ mile figures. At present the men who travel 5½ miles and 6 miles pay the same because there is no half mile stage. It is proposed that they should pay differently, the result being that the man at 6 miles gets no reduction off his present rate but gets a slight reduction compared with the cost of an ordinary return ticket, and his neighbour, travelling half a mile less, gets a reduction off the present price. That kind of irregularity is, in my submission, most unjust, and any kind of half mile scale from season tickets, uncoupled with half mile staging for all the ordinary tickets and day return tickets, must be unjust.

Indeed Mr. Robbins, who is concerned with public relations as well as commercial matters for the Executive, told the Tribunal that he could think of nothing more productive of complaints than a reduction in one man's season ticket coupled with a retention of the price for the season ticket to the next station.

(*President*): It does seem a very trifling amount of new revenue, if one is thinking only of the London Transport services—£0.14m.

(*Mr. Fay*): Yes Sir, it does not produce a great deal because of the relative lack of importance of season tickets to London Transport since most of their operations



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are buses where season tickets do not operate, and their train operations are not so extensive, nor of such range necessarily as those of British Railways. But all the revenue is needed, and this is part of the means of getting it, and it is right in my submission that there should be one season ticket scale and not two, and that which would not produce complaints and public grievances.

(President): London Lines is £0.5m., is it not?

(Mr. Fay): If you say so, Sir; I have not got it. I have no doubt at all that that is right. It is much more for London Lines, but even London Lines is a comparatively small amount.

(Mr. Goff): The £0.5m. is the yield which they intend to get, not the difference between the result of the two scales.

(President): Corresponding with the £0.145m. in the season tickets London Transport?

(Mr. Fay): The yield which is before the Transport Tribunal for British Railways is £0.5m. Sir; the yield of that which is not before the Tribunal because it is the January maximum is another £0.5m. Altogether, there is therefore £1m. for British Railways in the season ticket increase of earlier this month. It is, of course, the greater part of the increase to British Railways London Lines.

By way of a postscript to season tickets, may I mention that I heard my learned friend, Mr. Noakes, yesterday giving a list of monthly seasons for a 67 mile journey—I think he mentioned Eastbourne.

(President): 66.1 miles.

(Mr. Fay): That is chargeable at 67 miles.

(President): Is there more than one route?

(Mr. Fay): I do not know, Sir, and I have not verified which season that is. No doubt there is more than one route, and there is more than one London terminal, but for 67 miles the maximum, as was rightly stated by my friend, is £34 9s. He went to great pains to say he was not going back to pre-war but I must say I was pervertedly intrigued by that statement of his, and I spent some time last night looking at a document of considerable antiquity, namely the Schedule of Standard Charges of the Southern Railway Company.

(President): As a rule we bring those here, but we have not them today.

(Mr. Fay): This was given force of law by a Railway Rates Tribunal in 1927.

(President): There was some debate about that, was there not? There was some debate as to whether this Court's predecessor ought to fix season ticket rates under the Act.

(Mr. Fay): I am afraid I have forgotten.

(President): I thought there was. There is something to be said for the view that they were not bound to.

(Mr. Fay): If they did so here is the result, and they laid down the standard season ticket rate in a table which is not nearly so handy as the tables which the present Tribunal has, because one has to do elaborate calculations to find out what the rate is for a mileage above 30. I have made some calculations which have been checked by my learned junior, and we worked out the standard season ticket rate for 67 miles in 1927 was £11 10s. 8d. That was increased by 5 per cent. in 1937, and therefore became £12 2s. 2d. If the pre-war penny is the present day threepence, and the pre-war pound is the present day £3, Mr. Noakes' lady from Eastbourne is not paying the equivalent of the pre-war season, because the price of that by today's calculations would cost up to £36-odd, and we are not charging that at present. Here is a case where the cost of transport is in fact below the increase in the cost of living and below the increase in the cost of most tickets. This is an illustration which in my submission shows that these long distant season ticket travellers are doing relatively well. I am sure they will not believe that, but I hope you will Sir!

I do not think I need say anything more on the case for British Railways outside London. There has not been a word said here by a witness or an advocate about that case. There is only one objection, and that is Sutton Coldfield—I am sorry, I am wrong. British Railways outside London, of course, does include the commuters from the areas outside London, such as Brighton. They have made their representations and I am sorry; that was a completely false statement.

The case as I understand it is simply one of hardship and it is saying: "We do not like paying more money." The complaint really is against the rising cost of living, the rising prices.

(President): There are no figures about British Railways outside London in any of the tables, are there?

(Mr. Fay): No Sir, there is no table relating to it except the addendum to Mr. Dickson's evidence put in as document AD 1 giving the revenue—the revenue increases year by year, that is. I do not think I fell into the trap on that occasion of giving evidence unsupported by a witness. Mr. Dickson on one side and Mr. Winchester on the other gave the figures for British Railways as a whole, and in view of the size of the deficit which was commented upon generally this morning, the reasons for it are before you, and there is not much room for argument on the figures. The question is really a commercial one of how far can the management properly go in trying to recoup some of the expenses?

May I turn from British Railways outside London to London Lines. I do not recollect my learned friend Mr. Goff saying a word about the position of London Lines of British Railways as distinct from the position of London Transport.

(President): He did say a word, he said that admittedly the figures, Mr. Winchester's figures, were, on Mr. Winchester's own admission, given with a large margin of possible error in them either way.

(Mr. Fay): Yes, Sir.

(President): He did not say we ought to depart from the practice of assimilation.

(Mr. Fay): He did not say that assimilation should be departed from, and nor did he say that London Lines were getting too much, and the tests applied to London Lines have been accepted, but may I go back to what I venture is the *locus classicus* on the point, namely the statement of Sir Reginald Wilson at the 1953 Inquiry.

(President): I do not think we have brought that. Did you tell us about this?

(Mr. Fay): No Sir. The same was said about the way in which assimilation was applied, and I thought it might not be without utility to remind the Tribunal of what Sir Reginald Wilson said on that occasion, because it has been quoted many times since, and this is the approach which I understand has been adopted since. I will hand up a copy of the transcript to you if I may. (Book handed to the learned President). You will find this on page 40, Sir, column 1, question 136. Sir Reginald Wilson is being examined by Mr. Harold Willis and the question is: "And if one accepts that, it means, in effect, does it not, that London Transport costs, which can be dealt with with precision and which you have already dealt with in some detail, are mainly the determining factor in fixing the prices to be charged for London Lines?" Do you consider that result to be a satisfactory one?" and the answer was: "Well, I would say, in the first place, that in the circumstances it is inevitable. And again, in the circumstances of this case, I think I can say that it is not unsatisfactory. We have to remember that the fare revenues of the London Lines of British Railways are hardly more than one-fifth of the total, whereas London Transport services represent four-fifths, with a reservation, which I will mention in a moment. I, therefore, think it is proper to allow the fare level required on London Transport services to determine at least the fare level of London Lines. My reservation was important, and it is this: There must be no fundamental difference between the costs of these two parts of the same service in the London Area. That is to say, the London Line costs must not diverge greatly from the London Transport costs. In other words, provided the London Lines do not show

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unconscionable profits or absurd losses as the result of using the same fare level as London Transport, I think the position is really satisfactory and proper."

That is a reference to the summing up by Sir Reginald Wilson of the application of the principle of assimilation which has been referred to at Inquiries since, and as I understand it generally considered to be the right way of regarding London Lines, and so I submit to-day, namely is there any question of unconscionable profit on London Lines? Document WW 1 shows a surplus of £4m. before Central Charges. Mr. Winchester's evidence is that the interest charge is now £5m. It is perfectly true, I think, to say interest charge and not Central Charge, because £2m. of that £5m. is still in the Special Account. But the interest charge is there; the interest charge is running and the interest charge will continue to run and will continue to emerge from Special Account until the new dispensation when presumably it will go on being chargeable. But after the increase in revenue, which is very satisfactory from London Lines British Railways, has been attained because of the expenditure of vast amounts of capital, is it not right that the capital should be remunerative and that the fares which are fixed should permit of the remuneration of that capital? By that test London Lines is not in a very satisfactory financial position because it is falling short of meeting its interest charges. True it has not to pay them at the present moment, but it may be, and if the present regime existed, it would have to progressively as the next three years go by, but in my submission when one faces that there has been a vast reconstruction on London Lines and there is virtually a new railway from Liverpool Street and from Fenchurch Street and new services provided by new rolling stock, if that has been provided by expense of new capital costing nearly £3m., judging from the Tribunal's decision in 1953, then a surplus of £4. is certainly I submit not enough, and certainly many many miles from being unconscionable.

I think it is right to remind the Tribunal that London Lines has in the past suffered from assimilation. Looking back over the Applications made in recent years, I find that in 1954, 1955, 1956 and 1957, the Commission came before this Court with proposals based on the requirements of London Transport which produced a surplus for London Lines for the future year insufficient to meet Central Charges of £2m. That was the result of assimilation and we said: "Oh, well, so be it; assimilation is the right way of looking at the problem and there it is". But one cannot say that now London Lines is reaping profit, more revenue which is adequate through assimilation and therefore that is the position, as I submit, on London Lines. The result is that in my submission this Application has been made out and it ought to be acceded to. Unless there is any particular matter on which you would like me to assist you further, that is all, I think, I can say, concerning this Application, Sir.

(President): Mr. Fay, something I said about the applicants in the London Line calculation of any credit for advertising or commercial letting disturbed Mr. Winchester; have you anything to say about it?

(Mr. Fay): Mr. Winchester told me afterwards that there was at one time in the figures (I forget which WW document it was) a figure of £0.1m.

(President): The figure appeared in our memorandum dealing with London Lines.

(Mr. Fay): Yes, but what happened was Mr. Winchester, with the assistance of the Tribunal, appreciated the London Lines ought not to be made to look as though one could gauge its expenses—and indeed its performance—to any accuracy of £0.1m., and therefore he changed over from decimal points to one place to the nearest half-million. When he did so, he saw that the £0.1m. which represented advertising revenue net got lost and went into the rounding of the central charges. This is the mathematical reason for its absence from the present figures.

(President): It has been absent since 1953.

(Mr. Fay): Maybe. Mr. Winchester says 1954 was the last occasion. You did ask me earlier what was the figure for the replacement reserve put before the Tribunal in

1959. I am told it was £2.8m. (it is page 80, question 678 in Mr. James's evidence, 23rd December, 1958).

(President): The 1959 Scheme?

(Mr. Fay): Yes. I am told there is one matter I am being asked to put before you. I hope I can relay what Mr. Winchester has been instructing me. It arises out of operation of Clause 38 of the Bill. Mr. Winchester takes exception to my assent to the proposition that the amount of the Commission's surplus will pro tanto increase the commencing debt, because he points out—and this clearly must be right—that in so far as there is a surplus it will have reduced the amount required to be borrowed during the year in question, and therefore the amount of the commencing debt by virtue of one application of Clause 38 is increased, but by virtue of the other application is decreased by a like amount.

The opening debt will include any monies borrowed year and the surplus is used to by new assets—as of course during the last year. If there is a surplus during the last it is—then pro tanto there will be no need to borrow to buy those new assets. If there had been no surplus, in other words, the amount of the opening debt would have been increased by the amount of the surplus.

Mr. Winchester tells me I have relayed it reasonably correctly!

(President): In any event, we have the section to read ourselves.

(Mr. Fay): Yes. I might have thought of it for myself, because I had it in mind to remind the Tribunal (as I did Mr. Hill yesterday, and he agreed) that London Transport's surplus this year, as it accrues day by day in cash, is being spent on capital, and therefore it obviously follows that there is that much less to be borrowed; so the surplus is not being wasted for this reason. I am obliged to Mr. Winchester.

I do not know whether there is anything further you wish me to endeavour to assist the Tribunal upon.

(President): No.

(Mr. Goff): I am not entitled to make a speech by way of rejoinder, and I am not going to...

(President): ... but we should be glad to hear anything you have to say.

(Mr. Goff): I would like to point out one thing which I think may have become obscured, and that is with regard to the yield in respect of London Lines. It is true that the yield from the Transport Commission's Scheme is £0.5m. within existing powers and £0.5m. within the powers temporarily authorised, making £1m. in all, but the difference in yield between their Scheme and the one we are opposing is only £125,000.

(President): Yes, I had that in mind.

(Mr. Goff): I was afraid that might have been overlooked.

(Mr. Fay): I said that was all I had to say upon the subject of this application. However, as readers of transcripts (esoteric beings!) will appreciate, it is customary at the end of these inquiries (and it is no less real because it is customary) for the last speaking advocate to express the thanks of all those present to the Tribunal for its courtesy and patience, and it gives me great pleasure to do so on this occasion.

(President): It ought to be the other way about; it ought to be the Tribunal. Indeed, we would have it the other way about now: on behalf of the Tribunal, I thank everybody who has addressed us for the patience with which he has borne the interruptions which must often have troubled him during the course of his arguments.

(Mr. Fay): We accept the tribute, undeserved though it is, because, speaking for myself, I always find those observations which fall from the Tribunal very valuable, and I think most advocates feel that about most interventions from most courts (although perhaps not all).

If I may now address you, sir, in the singular and not in the plural, I know this is something which is unwelcome

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to you, but I do appreciate that this is the last occasion on which you will be sitting on such a Scheme, and I could not reconcile it with my conscience not to mention that fact, since I personally have been in every passenger fares Scheme over which you have presided. I shall not extend my observations far, because I know they are not altogether of a kind which you receive without embarrassment, but I would be failing in my duty to myself if I did not express my appreciation of what I have learned, both technically and in advocacy, from attending these inquiries. The standard of advocacy must depend on the example set by the Bench, and I venture to think that the way in which these inquiries over the years have been conducted has been a pattern to all who may be called upon at any time so to deal, and an exemplar which has been of greatest benefit to advocates who like to retain good forensic manners and to conduct inquiries which may often represent violently opposing viewpoints with good humour.

Will you forgive me if I pay that personal tribute; I am sure it is not only my personal tribute, but one in which I can speak for all those who have sat through these inquiries.

(Mr. Goff): May I very briefly associate myself with those remarks. I have had the honour and privilege of appearing before you on only two of these occasions. I very much regret I was not here on earlier occasions; I came last year, unaccustomed to this particular type of work, and the reception one got in this Tribunal and the atmosphere in which one was permitted to present one's case were of tremendous assistance.

We very much appreciate the way you have presided over these Tribunals.

(President): I am very grateful to you both.

## CORRIGENDA

*Proceeding First Day—Monday, 4th June, 1962*

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|--|---|
| Page 1, column 1, paragraph 1, line 14—for "Permit" read "Permanent"                 | Page 10, column 1, paragraph 4, line 7—for "3" read "2"                                     |
| Page 1, column 1, paragraph 2, line 14—for "Yes, Sir" read "You, Sir"                | Page 10, column 1, paragraph 4, line 9—for "one" read "not"                                 |
| Page 1, column 1, paragraph 2, line 15—delete "I" after "find"                       | Page 10, column 1, paragraph 4, line 10—for "by the large" read "by and large"              |
| Page 1, column 2, paragraph 2, line 1—for "Shunt" read "Shut"                        | Page 10, column 1, paragraph 5, line 7—for "eight miles and" read "to"                      |
| Page 1, column 2, paragraph 2, line 8—for "to do more" read "to do no more"          | Page 10, column 1, paragraph 6, line 1—for "The few read "The two"                          |
| Page 2, column 1, paragraph 1, line 4—for "and" read "on"                            | Page 10, column 2, paragraph 12, line 6—Omit "many"   |
| Page 2, column 1, paragraph 6, line 3—for "under" read "before"                      | Page 14, column 1, paragraph 8, line 6—after "appeal" delete "to"                           |
| Page 2, column 1, paragraph 10, line 10—delete "s" after "tion"                      | Page 14, column 2, question 7, line 4—for "short" read "shorter"                            |
| Page 2, column 2, paragraph 2, line 12—"Scheme" to read "Application"                | Page 14, column 2, question 8, line 3—delete "and is"                                       |
| Page 2, column 2, paragraph 7, line 7—for "true" read "direct"                       | Page 14, column 2, question 8, line 3—for "level" read "rate"                               |
| Page 2, column 2, paragraph 7, line 10—for "no" read "any"                           | Page 15, column 1, question 16, line 1—for "35" read "45"                                   |
| Page 3, column 2, paragraph 1, line 5—"1961" to read "1960"                          | Page 15, column 1, question 26, line 2—for "1952" read "1954"                               |
| Page 3, column 2, paragraph 1, line 15—for "charges" read "changes"                  | Page 15, column 2, question 34, line 5—for "moving" read "movement"                         |
| Page 3, column 2, paragraph 1, line 16—"produced" to read "produces"                 | Page 16, column 1, question 46, line 3—for "faction" read "traction"                        |
| Page 3, column 2, paragraph 3, line 10—for "1962" read "1961"                        | Page 16, column 1, question 51, line 11—for "ot" read "got"                                 |
| Page 3, column 2, paragraph 12, line 3—for "am" read "was"                           | Page 17, column 1, question 72, line 2—delete " , "   |
| Page 6, column 1, paragraph 6, line 1—"£0.3m." to read "£7.3m."                      | Page 17, column 1, question 72, line 4—for "Region" read "and Western Regions"              |
| Page 6, column 1, paragraph 8, line 12—for "£36.2m." read "36.3m."                   | Page 17, column 1, question 73, line 6—for "adequate" read "inadequate"                     |
| Page 6, column 2, paragraph 6, line 5—for "credited" read "charged"                  | Page 17, column 2, question 83, line 8—after "Train" insert "and"                           |
| Page 8, column 2, paragraph 6, line 2—for "in the face of" read "as to the first of" | Page 17, column 2, question 87, line 9—for "6(1)" read "VI-1"                               |
| Page 9, column 1, paragraph 2, line 1—for "R.M. 1" read "R.M.R. 1"                   | Page 18, column 1, question 101, line 3—for "to" read "of"                                  |
| Page 9, column 1, paragraph 8, line 7—for "£8.7m." read "£88.7m."                    | Page 18, column 2, question 115, line 2—for "WW.1" read "WW.2"                              |
| Page 10, column 1, paragraph 1, line 4—for "half" read "½"                           | Page 19, column 1, Exhibit AE 1, Item No. 4—close bracket after "depreciation and renewals" |
| Page 10, column 1, paragraph 2, line 16—delete "before way"                          | Page 19, column 1, Exhibit AE 2—for "No. Item" read "Item No."                              |
|  | Page 19, column 2, Exhibit AE 2—insert line after figures in Item No. 16                    |
|  | Page 20, column —, Exhibit AE 4—insert "£m." at head of Column No. (8)                      |
|  | Page 21, column 2, Exhibit RMR 2—section (e) to read "(e) other causes, trend etc."         |



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[Continued

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- Page 23, column 1, question 121, line 5—for "province" read "provenance"
- Page 23, column 2, question 121, line 28—for "Inquiries" read "Inquiries"
- Page 23, column 2, question 122, line 5—for "scheme" read "schemes"
- Page 24, column 1, question 126, line 9—for "in" read "from"
- Page 24, column 1, question 127, line 4—for "deplete" read "increase"
- Page 24, column 2, question 140, line 3—for "contribution of" read "contribution of"
- Page 24, column 2, question 143, line 3—for "of" read "for"
- Page 25, column 1, question 154, line 5—for "at" read "as"
- Page 25, column 1, question 156, line 2—for "connig" read "coming"
- Page 26, column 2, question 226, line 7—for "the rates" read "reduced fares"
- Page 27, column 1, question 237, line 1—for "ir" read "is"
- Page 28, column 1, question 268, line 4—for "correctly" read "credit"
- Page 28, column 2, question 271, line 1—for "there was no necessity" read "there is no necessity"
- Page 28, column 2, question 271, line 4—for "line 10" read "line 9"
- Page 28, column 2, question 283, line 19—for "who can be" read "which can be"
- Page 29, column 1, question 286, line 5—for "That occurred" read "They occurred"
- Page 29, column 1, question 290, line 1—for "Price Levels and" read "Price Levels of"
- Page 29, column 1, question 293, line 2—for "£265,000" read "£256,000"
- Page 29, column 2, question 306, line 5—for "starting from" read "stemming from"
- Page 29, column 2, question 308, line 4—for "same result" read "same reason"
- Page 29, column 2, question 309, line 1—for "balance out" read "bear out"
- Page 30, column 1, question 328, line 3—for "for the" read "as the"
- Page 30, column 1, question 329, line 6—for "dficit" read "deficit"
- Page 30, column 1, question 336, line 3—for "was slightly" read "with slightly"
- Page 30, column 2, question 348, line 3—for "for fractionally" read "or fractionally"
- Page 31, column 1, question 358, line 1—for "PJ.15" read "PJ.16"
- Page 31, column 1, question 359, line 2—for "PJ.15" read "PJ.16"
- Page 31, column 1, question 363, line 1—for "capital bet" read "capital debt"
- Page 31, column 2, question 372, line 5—for "a further" read "a surplus of"
- Page 31, column 2, question 376, line 3—for "deteriorated" read "depreciated"
- Page 31, column 2, question 379, line 1—for "unable" read "able"
- Page 32, column 1, question 396, line 3—delete "of the"
- Page 32, column 1, question 403, line 5—for "15 April" read "26 March"
- Page 32, column 2, question 404, line 5—to replace line 4 and line 4 to read line 5
- Page 33, column 1, question 413, line 5—for "we were" read "we had"
- Page 33, column 1, question 416, line 10—for "electrified. Very" read "electrified, very"
- Page 34, column 1, question 434, line 5—for "62 seater" read "56 seater"
- Page 34, column 1, question 435, line 2—for "Secondary" read "Secondly"
- Page 34, column 2, question 447, line 2—delete "chiefly, but"
- Page 34, column 2, question 453, line 3—for "se" read "See"
- Page 35, column 1, question 464, line 2—for "we think" read "we thought"
- Page 35, column 1, question 464, line 4—for "there will be" read "there would be"
- Page 35, column 1, question 466, line 3—delete "to give £27m."
- Page 35, column 1, question 468, line 1—for "appearing" read "appear"
- Page 35, column 1, question 471, line 4—for "increased" read "increase"
- Page 35, column 2, question 475, line 1—before "This" add (to the President)
- Page 35, column 2, question 475, line 5—after "put in" add (to the Witness)
- Page 36, column 1, question 491, line 5—delete "and opinion"
- Page 36, column 1, question 501, line 4—for "14th June" read "26th March"
- Page 36, column 2, question 503, line 9—for "that undesirable" read "that it was undesirable"
- Page 36, column 2, question 509, line 3—for "pre-existing charges" read "charges applying"
- Page 37, column 1, question 523, line 1—for "£1.55m." read "£1.155m."
- Page 37, column 1, question 524, line 6—for "£2.90m. which" read "£2.90m. for season tickets which"
- Page 37, column 1, question 524, line 7—delete "of the season tickets"
- Page 37, column 1, question 530, line 1—for "gross" read "net"
- Page 37, column 1, question 531, line 3—for "assorted" read "concessional"
- Page 37, column 1, question 531, line 5—for "throw" read "show"
- Page 37, column 2, question 538, line 10—for "£36.2m." read "£36.3m."
- Page 37, column 2, question 538, line 12—after "line" add "addition"
- Page 37, column 2, question 539, line 9—for "out" read "in"
- Page 37, column 2, question 539, line 10—delete "of"
- Page 37, column 2, question 540, line 1—for "that being" read "that leaving"
- Page 37, column 2, question 540, line 2—for "£940,000 at existing fares" read "£940,000 within existing powers"
- Page 37, column 2, question 540, line 3—for "£700,000 and £200,000" read "£440,000 and £500,000"
- Page 39, Exhibit RMR 3, August 13 line—Cumulative Figures—Budget Column to read "53048"
- Page 40, Exhibit RMR 4, May 13 line—Cumulative Figures—Per Cent Column to read "—3"
- Page 40, Exhibit RMR 4—note at foot for "15th April 1961 and 3rd June 1961" read "13th April 1962 and 3rd June 1962"
- Page 46, Exhibit RMR 8—note at foot for "The allowance for" to read "The allowances for"

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- Page 50—Mr. Evershed cross-examined by Mr. Goff not Mr. Crawford
- Page 50, column 1, question 547, line 1—for "tied" read "tide"
- Page 50, column 1, question 547, line 3—for "decisions of figures" read "decisions on figures"



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[Continued

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|---|--|
| Page 50, column 2, question 551, line 2—for "for" read "fare"                 | Page 53, column 1, question 639, line 3—for "clearly" read "purely"        |
| Page 50, column 2, question 553, line 2—insert "—" between Q. and A.          | Page 53, column 1, question 643, line 4—for "£10,000" read "£10,000,000"   |
| Page 51, column 1, question 569, line 1—for "Returning the" read "Turning to" | Page 53, column 2, question 657, line 1—for "rating up" read "rounding up" |
| Page 52, column 2, question 627, line 3—for "£2,417,000" read "£2,417m."      | Page 55, column 1, question 703, line 4—insert "—" between Q. and A.       |

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[Continued]

TABLE SWH 3

LONDON TRANSPORT EXECUTIVE  
CONTRIBUTION TO CENTRAL CHARGES ON BASIS OF L.T.E. AS A SEPARATE  
UNDERTAKING—1959-62  
(£m.)

Ref.	Year	Interest on Capital Balances				Net Revenue	"Central" Charges				Surplus for Year	Deficit for Year	Accumulated Surplus (S) or Deficit (D)	Balance of B.T.C. Loan	
		Interest on Capital Obligations	Balance in hand at beginning of year	Cap. Expenditure in year less internal provisions	Balance in hand at end of year		Interest	Interest (Col. (2) less Col. (6))	Share of Expenses of B.T.C.	Interest on accumulated (Cr.) or Deficit (Dr.)					Total Charges
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	To 31st Dec.														
1	1959	60.44		24.40	16.60	Cr. 6.37	47.31	54.07	5.64	Dr. 1.33	61.04			D. 13.73	2.87
2									5.74		61.14			D. 13.83	2.77
3	1960	5.34	16.60	9.76	6.84	Cr. 0.70	7.85	4.64	0.55	Dr. 0.68	5.87	1.98		D. 11.85	5.01
4	1961	5.34	6.84	7.84	Dr. 1.00	Cr. 0.18	7.70	5.16	0.55	Dr. 0.57	6.28	1.42		D. 10.43	D. 11.43
5	1962	5.34	Dr. 1.00	9.66	Dr. 10.66	Dr. 0.35	8.26	5.69	0.55	Dr. 0.48	6.72	1.54		D. 8.89	D. 19.55

## NOTES

This Table is a continuation of Table SWH 4, Page 101, Minutes of Evidence, February, 1961. The notes referable to that Table and shown in Table SWH 5, page 102, apply except that reference therein to Exhibit AE 6, should now read AE 6 (January, 1961) and AE 4 (June, 1962).

This Table starts in Line 1, with total figures to 31st December, 1959, which agree with the figures shown in the said Table SWH 4. A minor alteration to these totals is shown in Line 2 to reflect witness's acceptance of an adjustment in respect of the share of central expenses of B.T.C. (Q. 2655, page 185, Minutes of Evidence, February, 1961.)

The figures for 1960 are based on the actual results of that year.

The figures for 1961 and 1962 are based on (i) estimates of capital expenditure less internal provisions (Col. 4), and (ii) estimates of net revenue (Col. 7) as shown in Exhibit AE 4 (June, 1962).

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[Continued]

TABLE SWH 4

## LONDON TRANSPORT EXECUTIVE

## CENTRAL CHARGES (INTEREST, ETC.) CONTRIBUTION, 1961, 1962

(On basis of BTC's estimates of capital expenditure, net revenue and withdrawals from Maintenance Equalisation Fund.)

Ref.		1961			1962		
(1)	(2)	(3)			(4)		
		£m.	£m.	£m.	£m.	£m.	£m.
1	Net Capital Outlay (AE 3 & 4) ... ..			11.9			13.3
	Less internal financing:						
2	(a) Depreciation (AE 3) ... ..		3.9			4.2	
	(b) Margin—						
3	Net revenue (AE 3 & 4) ... ..	7.7			8.3		
4	Less contribution to Central Charges (as in Line 14 below) ... ..	5.9			6.3		
5			1.8			2.0	
6	(c) Maintenance Equalisation Account (AE 3)		+0.2			-0.5	
7	Total internal financing ... ..			5.9			5.7
8	Net increase in capital invested ... ..			6.0			7.6
9	Total capital invested to end of year (nearest million £)						
	Table SWH 2 £155m.			161			169
10	Mean for year ... ..			158			165
11	Increase on mean for 1960 Table SWH 2 £152m.			6			13
12	Interest thereon at 6% ... ..			0.4			0.8
13	Central Charges for 1960 ... ..			5.5			5.5
14	Central Charges for year ... ..			5.9			6.3
	Comparison:						
15	AE 3 ... ..			6.8			7.3
16	AE 4 ... ..			7.0			7.5
17	SWH 3 ... ..			6.3			6.7

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[Continued

TABLE SWH 5

## TRANSPORT BILL

## PROPOSED LONDON TRANSPORT BOARD

Comparison of the figure of £6.5 millions stated by The Financial Secretary to the Treasury (Standing Committee E, March 15th, 1962, column 1513), with figures produced by methods used in compilation of (i) Table AE 4, and (ii) Table SWH 3.

The figure of £6.5M purports to be an annual interest charge, as at January 1st, 1963, in relation to a commencing capital debt of £165M. To effect a reconciliation with either Table AE 4 or Table SWH 3 figures for the year 1962, it is necessary, therefore, to make certain adjustments.

Comparison with AE 4		£M
1. Central charges for 1962 per AE 4 (col. 14)	£M	7.50
2. Exclude amount included in above for share of central expenses (col. 12)	0.69	
3. Other than in respect of amortisation of discounts on B.T. Stock—10% of £564,000	0.06	
4.		0.63
5.		6.87
<i>Add:</i>		
6. (a) Half year's interest on 1962 net capital expenditure (£9.66M) at 6%		0.29
<i>Less:</i>		
7. (b) Half year's interest on net surplus for 1962 (before charging interest on accumulated deficit) £1.34M at 6%	£M Cr. 0.040	
8. (c) Year's interest on amount charged in 1962 for interest on accumulated deficit (£0.58M) at 6%	Dr. 0.035	
9.	0.005	0.01 Cr.
10. Interest charge as at January 1st, 1963		7.15
<i>Comparison with SWH 3</i>		
11. Central charges for 1962 per SWH 3 (col. 11)	£M	6.72
12. Exclude amount included above for share of central expenses (col. 9)	0.55	
13. Other than in respect of amortisation of discounts on B.T. Stock—9% of £564,000	0.05	
14.		0.50
15.		6.22
<i>Add:</i>		
16. (a) Half year's interest on 1962 net capital expenditure (£9.66M) at 6%		0.29
17. (b) Half year's interest on net surplus for 1962 (after charging one half year's interest on capital obligation (col. 11) but before charging interest on accommodation deficit (col. 13) £4.87M at 6%	Cr. 0.146	
18. (c) Year's interest on amount charged for interest for second half year in 1962, £2.84M at 6%	Dr. 0.170	
19. (d) Year's interest on amount charged in 1962 for interest on accumulated deficit, £0.48M at 6%	Dr. 0.029	
20.	Dr. 0.053	0.05
21. Interest charge as at January 1st, 1963		6.56



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[Continued]

TABLE SWH 6  
(REVISED)

## LONDON TRANSPORT EXECUTIVE

## FINANCIAL POSITION IN 1962 AND "FUTURE YEAR"

Ref.		1962			"Future Year"		
		B.T.C. Fares Proposals	L.C.C. Proposals "A"	L.C.C. Proposals "B"	B.T.C. Fares Proposals	L.C.C. Proposals "A"	L.C.C. Proposals "B"
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Passenger Receipts at pre-April, 1962 charges ... ..	£m. 88.7	£m.	£m.	£m. 88.7	£m.	£m.
2	Miscellaneous ... ..	0.3			0.3		
3		89.0			89.0		
4	Working expenses (including depreciation and renewals) ... ..	84.2(a)			84.6		
5	Net traffic receipts ... ..	4.8			4.4		
6	Net receipts from commercial advertising, letting of sites, etc. ... ..	1.7			1.8		
7	Total net receipts ... ..	6.5			6.2		
8	Central charges ... ..	6.5			7.0		
9	Deficit (—) at pre-April, 1962 charges ...	—	—	—	—0.8	—0.8	—0.8
10	Estimated yield of increases in charges ...	1.8	1.2(b)	0.7(c)	2.8	1.4(d)	0.1(e)
11	Surplus at proposed charges ... ..	1.8	1.2	0.7	2.0	0.6	—0.7

(a) £84.6m. less proportion of additional working expenses (wage increases) to 31.3.62 (all other increases assumed to be fully operative throughout 1962— $\frac{1}{4}$  x £1.6m. (transcript 1962—p.28 Q.283)) £0.4m.

(b) Within existing powers—Seasons £0.145m. ppn. 3.6.62 to 31.12.62 ... .. £0.1m.

Operative 15.4.62—£1.25m. (transcript 1962—p.36 Q.494)—ppn. 15.4.62 to 31.12.62 ... .. £0.9m.

Operative 3.6.62—£1.35m. (balance of £2.6m.)—ppn. 3.6.62 to 31.12.62) ... .. £0.8m.

£1.8m.

Less—Assuming 1.8.62 as operative date of L.C.C. proposal (L.C.C. 4)—difference between B.T.C. yield £2.85m. and L.C.C. yield £1.375m. for period 1.8.62 to 31.12.62 = five-twelfths x £1.475m. ... .. £0.6m.

£1.2m.

(c) As shown in note (b) ... .. £1.8m.

Less—Assuming 1.8.62 as operative date as in note (b)—proportion of B.T.C. yield £2.65m. by application for period 1.8.62 to 31.12.62 = five-twelfths of £2.65m. ... .. £1.1m.

£0.7m.

(d) See LCC 4—yield.

(e) Within existing powers—season tickets.

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[Continued

RMR 4 (A)

## LONDON TRANSPORT EXECUTIVE

ESTIMATED PASSENGER TRAFFIC RECEIPTS (AFTER CLEARANCES)—YEAR 1962  
COMPARED WITH ORIGINAL 1962 BUDGET

## ALL SERVICES

Week Ended	Weekly Figures				Cumulative Figures			
	Budget	Actual Receipts	Deviation from Budget		Budget	Actual Receipts	Deviation from Budget	
			Amount	Per cent			Amount	Per cent
	£000	£000	£000	%	£000	£000	£000	%
Jan. 7	1,681	1,658	— 23	— 1.4	1,681	1,658	— 23	— 1.4
14	1,660	1,683	+ 23	+ 1.4	3,341	3,341	—	—
21	1,649	1,669	+ 20	+ 1.2	4,990	5,010	+ 20	+ .4
28	1,632	1,683	+ 51	+ 3.2	6,622	6,693	+ 71	+ 1.1
Feb. 4	1,627	1,607	— 20	— 1.2	8,249	8,300	+ 51	+ .6
11	1,641	1,676	+ 35	+ 2.1	9,890	9,976	+ 86	+ .9
18	1,653	1,652	— 1	—	11,543	11,628	+ 85	+ .7
25	1,687	1,641	— 46	— 2.7	13,230	13,269	+ 39	+ .3
Mar. 4	1,704	1,651	— 53	— 3.1	14,934	14,920	— 14	— .1
11	1,710	1,677	— 33	— 2.0	16,644	16,597	— 47	— .3
18	1,717	1,697	— 20	— 1.2	18,361	18,294	— 67	— .4
25	1,720	1,698	— 22	— 1.3	20,081	19,992	— 89	— .4
Apl. 1	1,720	1,695	— 25	— 1.4	21,801	21,687	— 114	— .5
8	1,724	1,674	— 50	— 2.9	23,525	23,361	— 164	— .7
15	1,724	1,707	— 17	— 1.0	25,249	25,068	— 181	— .7
22 Good Friday	1,588	1,638	+ 50	+ 3.1	26,837	26,706	— 131	— .5
29 Easter Monday	1,630	1,698	+ 68	+ 4.2	28,467	28,404	— 63	— .2
May 6	1,743	1,773	+ 30	+ 1.7	30,210	30,177	— 33	— .1
13	1,750	1,766	+ 16	+ .9	31,960	31,943	— 17	— .1
20	1,746	1,755	+ 9	+ .5	33,706	33,698	— 8	—
27	1,736	1,749	+ 13	+ .7	35,442	35,447	+ 5	—
3	1,729	1,775	+ 46	+ 2.7	37,171	37,222	+ 51	+ .1
10	1,711				38,882			
17 Whit Monday	1,646				40,528			
24	1,717				42,245			
1	1,719				43,964			
8	1,715				45,679			
15	1,718				47,397			
22	1,724				49,121			
29	1,728				50,849			
Aug. 5	1,700				52,549			
12 August Monday	1,622				54,171			
19	1,687				55,858			
26	1,707				57,565			
Sep. 2	1,723				59,288			
9	1,725				61,013			
16	1,731				62,744			
23	1,745				64,489			
30	1,746				66,235			
Oct. 7	1,743				67,978			
14	1,734				69,712			
21	1,726				71,438			
28	1,782				73,220			
Nov. 4	1,726				74,946			
11	1,706				76,652			
18	1,717				78,369			
25	1,724				80,093			
Dec. 2	1,756				81,849			
9	1,814				83,663			
16	1,815				85,478			
23	1,766				87,244			
30 Christmas	1,231				88,475			
Add: 1 day 31st Dec.	245				88,720			
TOTAL ... ..	88,720				88,720			

Note: Fares revisions—15th April, 1961, and 3rd June, 1961

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[Continued

SUPPLEMENT TO  
EXHIBIT RMR 8

## LONDON AREA

ESTIMATED ANNUAL YIELDS FROM INCREASES (a) WITHIN EXISTING CHARGING POWERS AND (b) WHICH ARE THE SUBJECT OF THE APPLICATION UNDER SECTION 79 OF THE TRANSPORT ACT, 1947  
LODGED ON 16th APRIL, 1962

	(a) Within Existing Charging Powers		(b) Subject to the Application under Section 79 of the Transport Act, 1947 lodged on 16th April, 1962		Total *	
	Gross Yield £ 000's	Discounted Yield £ 000's	Gross Yield £ 000's	Discounted Yield £ 000's	Gross Yield £ 000's	Discounted Yield £ 000's
<b>British Railways (London Lines)</b>						
Line 1 of Exhibit RMR. 8 (Ordinary, Day Returns, etc.)	950	440	500	200	1,450	640
Line 2 of Exhibit RMR. 8 (Season Tickets)	800	500	800	500	1,600	1,000
Line 5 of Exhibit RMR. 8 (Total)	1,750	940	1,300	700	3,050	1,640
<b>London Transport</b>						
Line 1 of Exhibit RMR. 8 (Ordinary, Day Returns, etc.)	72	50	4,818	2,510	4,890	2,560
Line 2 of Exhibit RMR. 8 (Season Tickets)	247	150	240	140	487	290
Line 5 of Exhibit RMR. 8 (Total)	319	200	5,058	2,650	5,377	2,850
<b>Grand Total</b>						
Line 1 of Exhibit RMR. 8 (Ordinary, Day Returns, etc.)	1,022	490	5,318	2,710	6,340	3,200
Line 2 of Exhibit RMR. 8 (Season Tickets)	1,047	650	1,040	640	2,087	1,290
Line 5 of Exhibit RMR. 8 (Total)	2,069	1,140	6,358	3,350	8,427	4,490

\* These figures are shown in Columns 3 and 4 (B.R. London Lines), 15 and 16 (L.T.E.) and 18 and 19 (Grand Total) on Exhibit RMR 8.

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[Continued

EXHIBIT RMR 8

APPENDIX A

## LONDON AREA

## BRITISH RAILWAYS — LONDON LINES

ESTIMATED ANNUAL REVENUE AT CHARGES APPLYING BEFORE 15th APRIL, 1962, BASED UPON BUDGET FORECAST FOR THE YEAR 1962 AND ESTIMATED ANNUAL INCREASES IN REVENUE FROM :—

- (a) Charges temporarily authorised by Tribunal's Order dated 26th March, 1962, and  
 (b) Increases in ordinary fares to maximum charges authorised by Tribunal's Order dated 8th July, 1959

## ORDINARY DAY RETURNS AND EXCURSIONS, ETC.

Item No. (1)	Category of Charge (2)	Years receipt at charges applying before 15th April, 1962 (3)	Gross Yield (4)	Discounted Yield (5)	Discount Applied (6)	Remarks (7)
1	Ordinary full fares, single and return :—	£000's	£000's	£000's		
	Excluding L.T. & S. line ...	10,434	950	440	4½ per cent	Within existing charging powers
	L.T. & S. line ... ..	1,989	130	90	2 per cent	
	Total ... ..	12,423	1,080	530		
2	Day return fares, etc. ... ..	8,650	370	110	3 per cent	
3	Total Items 1 and 2 ... ..	21,073	1,450	640		



22 June, 1962]

[Continued]

EXHIBIT RMR 8  
APPENDIX B

## LONDON AREA

## LONDON TRANSPORT EXECUTIVE—RAILWAYS

ESTIMATED ANNUAL REVENUE AT CHARGES APPLYING BEFORE 15th APRIL,  
1962 AND ESTIMATED ANNUAL INCREASE IN REVENUE FROM CHARGES  
TEMPORARILY AUTHORISED BY THE TRIBUNAL'S ORDER, DATED 26th  
MARCH, 1962

## ORDINARY SINGLES AND RETURNS, DAY AND EVENING RETURNS

Miles (1)	Ordinary Single Fares		Year's Receipts At Charges Applying Before 15th April, 1962 (4)	Gross Yield (5)	Discounted Yield (6)	Discounts Applied (7)	Remarks (8)
	Old Charges (2)	Temporarily Authorised and Operative from 3rd June, 1962 (3)*					
	s. d.	s. d.		£	£		
1	3	3	804,806	—	—	—	Children's element included with appropriate adult fares.
1½	5	6	818,085	162,164*	113,333*	5% loss of passengers assumed	
2	6	6	1,315,269	—	—	5% "	
2½	8	9	1,531,635	193,722*	107,454*	2½% "	
3	9	9	1,192,874	—	—	5% "	
4	11	1 0	2,300,542	207,732	82,706	2½% "	
5	1 1	1 2	2,143,042	163,606	106,182	2½% "	
6	1 3	1 4	1,813,164	120,134	71,970	2½% "	
7	1 5	1 6	1,462,682	85,490	46,926	2½% "	
8	1 7	1 8	1,186,986	61,696	30,700	2½% "	
9	1 9	1 10	1,082,136	51,237	22,995	2½% "	
10	1 11	2 0	1,004,746	42,855	17,052	2½% "	
11	2 1	2 2	724,994	28,817	10,041	1½% "	
12	2 3	2 4	584,223	21,279	15,321	1½% "	
13	2 5	2 6	403,444	13,834	9,683	1½% "	
14	2 7	2 8	305,972	9,751	6,630	1½% "	
15	2 9	2 10	205,656	6,190	4,085	1½% "	
16	2 10	3 0	166,087	9,769	8,011	1½% "	
17	3 0	3 2	114,836	6,380	5,168	1½% "	
18	3 2	3 4	101,309	5,333	4,266	1½% "	
19	3 4	3 6	77,664	3,883	3,068	1½% "	
20	3 6	3 8	43,424	2,069	1,614	1½% "	
21	3 8	3 10	29,881	1,357	1,045	1½% "	
22	3 10	4 0	13,997	609	463	1½% "	
23	4 0	4 3	11,462	716	595	1½% "	
24	4 2	4 5	13,621	828	683	1½% "	
25	4 4	4 7	8,934	515	421	1½% "	
26	4 6	4 9	12,506	701	570	1½% "	
27	4 8	4 11	8,091	443	358	1½% "	
28	4 10	5 2	11,260	777	656	1½% "	
29	5 0	5 4	5,035	336	282	1½% "	
30	5 2	5 6	3,687	237	198	1½% "	
	Other Fares†		2,017,950	134,730	78,895	1-5% (as appropriate)	
Total Ordinary Fares ... ..			21,520,000	1,337,190	751,371	2.4% approximately	
Day Returns, Cheap Evening‡ Returns, Off Peak Tickets, etc.			800,000	84,980	62,791	2.8% approximately	
Grand Total ... ..			22,320,000	1,422,170	814,162	2.4% approximately	

\* The 5d. and 6d. single fares were increased by 1d. from 15th April, 1962, and the yields indicated accrued from that date.

† The item "Other Fares" includes through fares to British Railways which do not conform to the London Transport scale of charges, sub-standard fares and fares for journeys of more than 30 miles.

‡ Day Returns are issued on L.T. Railways only for certain through bookings to B.R. Stations and for journeys to and from stations on the Harrow-on-the-Hill to Amersham Line.

22 June, 1962]

[Continued

EXHIBIT RMR 8

APPENDIX C

## LONDON AREA

## LONDON TRANSPORT EXECUTIVE—ROAD SERVICES EXCLUDING COACHES

ESTIMATED ANNUAL REVENUE AT CHARGES APPLYING BEFORE 15th APRIL, 1962, AND ESTIMATED ANNUAL INCREASE IN REVENUE FROM CHARGES TEMPORARILY AUTHORISED BY THE TRIBUNAL'S ORDER, DATED 26th MARCH, 1962

## ORDINARY AND WEEKLY TICKET TRAFFIC

Miles	Ordinary Fares		Years Receipts at Charges applying before 15th April, 1962	Gross Yield	Discounted Yield	Discounts Applied		Remarks
	Old Charges	Temporarily Authorised and Operating From 3rd June, 1962*				Outright loss of Passengers assumed	Passenger drop back to shorter ride	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	s. d.	s. d.	13,205,823	£	£	—	—	Children's element included with appropriate adult fares.
1½	3	3	7,899,399	1,481,463*	664,250*	3%	12%	
2	5	6	8,054,740	—	—	—	—	
2½	6	6	5,230,207	686,895*	339,522*	2½%	10%	
3	9	9	4,864,803	—	—	—	—	
4	11	1 0	6,046,926	531,651	289,592	2½%	5%	
5	1 1	1 2	3,766,514	280,389	166,847	2½%	2½%	
6	1 3	1 4	2,248,084	145,438	86,598	2½%	—	
7	1 5	1 6	1,379,997	78,198	42,503	2½%	—	
8	1 7	1 8	846,048	42,729	21,022	2½%	—	
9	1 9	1 10	446,623	20,453	9,033	2½%	—	
10	1 11	2 0	258,059	10,503	4,036	2½%	—	
Other fares†			536,177	34,923	19,493	1-3%	—	
Total Ordinary Fares ...			54,783,400	3,312,642	1,642,896	.9% approx.	2.9% approx.	
Weekly Tickets ...			24,600	2,014	1,459	2-2%	—	

\* The 5d. and 6d. single fares were increased by 1d. with effect from 15th April and the yields indicated accrued from that date.

† The item "Other Fares" includes fares below the standard level because of parallel working with other operators, fares held down to avoid anomalies and fares for journeys beyond 10 miles.

EXHIBIT RMR 8

APPENDIX E

## LONDON AREA

## BRITISH RAILWAYS—LONDON LINES AND LONDON TRANSPORT EXECUTIVE—RAILWAYS

ESTIMATED ANNUAL REVENUE AT EXISTING CHARGES BASED UPON BUDGET FORECAST FOR THE YEAR 1962 AND ESTIMATED ANNUAL INCREASE IN REVENUE FROM CHARGES TEMPORARILY AUTHORISED BY TRIBUNAL'S ORDER DATED 26th MARCH, 1962

## SEASON TICKETS

	Years Receipts at old charges	Gross Yield	Discounted Yield	Discounts Applied	Remarks
	£	£	£		
B.R. London Lines ...	16,925,000	1,600,000	1,000,000	Approximately 3% ...	Approximately one half of this yield is derived from existing charging powers
London Transport Railways	4,860,000	479,624	289,356	Various approximating to 3½% overall	

22 June, 1962]

[Continued]

## EXHIBIT LCC I

## LONDON AREA—BRITISH RAILWAYS AND LONDON TRANSPORT RAILWAYS

## Monthly Season Ticket Rates—Half Mile Charging

Mileage (1)	Existing Rate (2)	B.T.C. Proposed Rate (3)	Increase Col. 3 over Col. 2 (4)	L.C.C. Suggested Rate (5)	Increase Col. 5 over Col. 2 (6)
	£ s. d.	£ s. d.	s. d.	£ s. d.	s. d.
1	1 0 0	1 0 0	—	1 0 0	—
1½	1 7 0	1 7 0	—	1 3 6	—3.6 less
2	1 7 0	1 7 0	—	1 7 0	—
2½	1 13 0	1 14 0	1 0	1 10 6	—2.6 less
3	1 13 0	1 14 0	1 0	1 14 0	.1
3½	1 19 0	2 2 0	3 0	1 18 0	— .1 less
4	1 19 0	2 2 0	3 0	2 2 0	3 0
4½	2 4 0	2 7 0	3 0	2 4 6	3 0
5	2 4 0	2 7 0	3 0	2 7 0	3 0
5½	2 9 0	2 14 0	5 0	2 10 6	1 6
6	2 9 0	2 14 0	5 0	2 14 0	5 0
6½	2 14 0	2 19 0	5 0	2 16 6	2 6
7	2 14 0	2 19 0	5 0	2 19 0	5 0
7½	2 19 0	3 5 0	6 0	3 2 0	3 0
8	2 19 0	3 5 0	6 0	3 5 0	6 0
8½	3 4 0	3 10 0	6 0	3 7 6	3 6
9	3 4 0	3 10 0	6 0	3 10 0	6 0
9½	3 9 0	3 16 0	7 0	3 13 0	4 0
10	3 9 0	3 16 0	7 0	3 16 0	7 0
10½	3 13 0	4 1 0	8 0	3 18 6	5 6
11	3 13 0	4 1 0	8 0	4 1 0	8 0
11½	3 18 0	4 6 0	8 0	4 3 6	5 6
12	3 18 0	4 6 0	8 0	4 6 0	8 0
12½	4 2 0	4 10 0	8 0	4 8 0	6 0
13	4 2 0	4 10 0	8 0	4 10 0	8 0
13½	4 6 0	4 15 0	9 0	4 12 6	6 6
14	4 6 0	4 15 0	9 0	4 15 0	9 0
14½	4 10 0	5 0 0	10 0	4 17 6	7 6
15	4 10 0	5 0 0	10 0	5 0 0	10 0
15½	4 14 0	5 4 0	10 0	5 2 0	8 0
16	4 14 0	5 4 0	10 0	5 4 0	10 0
16½	4 19 0	5 9 0	10 0	5 6 6	7 6
17	4 19 0	5 9 0	10 0	5 9 0	10 0
17½	5 3 0	5 13 0	10 0	5 11 0	8 0
18	5 3 0	5 13 0	10 0	5 13 0	10 0
18½	5 7 0	5 18 0	11 0	5 15 6	8 6
19	5 7 0	5 18 0	11 0	5 18 0	11 0
19½	5 11 0	6 3 0	12 0	6 0 6	9 6
20	5 11 0	6 3 0	12 0	6 3 0	12 0
20½	5 15 0	6 7 0	12 0	6 5 0	10 0
21	5 15 0	6 7 0	12 0	6 7 0	12 0
21½	5 19 0	6 11 0	12 0	6 9 0	10 0
22	5 19 0	6 11 0	12 0	6 11 0	12 0
22½	6 3 0	6 16 0	13 0	6 13 6	10 6
23	6 3 0	6 16 0	13 0	6 16 0	13 0
23½	6 7 0	7 0 0	13 0	6 18 0	11 0
24	6 7 0	7 0 0	13 0	7 0 0	13 0
24½	6 11 0	7 5 0	14 0	7 2 6	11 6
25	6 11 0	7 5 0	14 0	7 5 0	14 0
25½	6 14 0	7 8 0	14 0	7 6 6	12 6
26	6 14 0	7 8 0	14 0	7 8 0	14 0
26½	6 17 0	7 11 0	14 0	7 9 6	12 6
27	6 17 0	7 11 0	14 0	7 11 0	14 0
27½	6 19 0	7 13 0	14 0	7 12 0	13 0
28	6 19 0	7 13 0	14 0	7 13 0	14 0
28½	7 1 0	7 16 0	15 0	7 14 6	13 6
29	7 1 0	7 16 0	15 0	7 16 0	15 0
29½	7 4 0	7 19 0	15 0	7 17 6	13 6
30	7 4 0	7 19 0	15 0	7 19 0	15 0
34½	7 15 0	8 11 0	16 0	8 10 0	15 0
35	7 15 0	8 11 0	16 0	8 11 0	16 0
39½	8 6 0	9 3 0	17 0	9 2 0	16 0
40	8 6 0	9 3 0	17 0	9 3 0	17 0
44½	8 18 0	9 16 0	18 0	9 15 0	17 0
45	8 18 0	9 16 0	18 0	9 16 0	18 0
49½	9 11 0	10 11 0	20 0	10 9 0	18 0
50	9 11 0	10 11 0	20 0	10 11 0	20 0

Note: Col. 2 is the rate before the "Emergency" Order.

22 June, 1962]

[Continued

EXHIBIT LCC 2

## LONDON AREA—BRITISH RAILWAYS AND LONDON TRANSPORT RAILWAYS

Comparison of Proposed Monthly Season Ticket Rates with cost of 22 days return fares

Mileage (1)	Proposed Season Ticket Maximum Scale (2)	Cost of 22 days ordinary return fare (3)	Col. (2) compared with Col. 3		Comparable % (RMR 6 Sheet 1 Col. 7 (6)
			(4)	(5)	
	£ s. d.	£ s. d.	£ s. d.	%	%
1	1 0 0	11 0	+ 9 0	+81.8	+53.8
2	1 7 0	1 2 0	+ 5 0	+22.7	+ 3.8
3	1 14 0	1 13 0	+ 1 0	+ 3.0	-12.8
4	2 2 0	2 4 0	- 2 0	- 4.5	-19.2
5	2 7 0	2 11 4	- 4 4	- 8.4	-22.5
6	2 14 0	2 18 8	- 4 8	- 8.0	-22.1
7	2 19 0	3 6 0	- 7 0	-10.6	-24.4
8	3 5 0	3 13 4	- 8 4	-11.4	-25.0
9	3 10 0	4 0 8	- 10 8	-13.2	-26.6
10	3 16 0	4 8 0	- 12 0	-13.6	-26.9
11	4 1 0	4 15 4	- 14 4	-15.0	-28.1
12	4 6 0	5 2 8	- 16 8	-16.2	-29.1
13	4 10 0	5 10 0	- 1 0 0	-18.2	-30.8
14	4 15 0	5 17 4	- 1 2 4	-19.0	-31.5
15	5 0 0	6 4 8	- 1 4 8	-19.8	-32.1
16	5 4 0	6 12 0	- 1 8 0	-21.2	-33.3
17	5 9 0	6 19 4	- 1 10 4	-21.8	-33.8
18	5 13 0	7 6 8	- 1 13 8	-23.0	-34.8
19	5 18 0	7 14 0	- 1 16 0	-23.4	-35.2
20	6 3 0	8 1 4	- 1 18 4	-23.8	-35.5
21	6 7 0	8 8 8	- 2 1 8	-24.7	-36.3
22	6 11 0	8 16 0	- 2 5 0	-25.6	-37.0
23	6 16 0	9 7 0	- 2 11 0	-27.3	-38.5
24	7 0 0	9 14 4	- 2 14 4	-28.0	-39.0
25	7 5 0	10 1 8	- 2 16 8	-28.1	-39.2
26	7 8 0	10 9 0	- 3 1 0	-29.2	-40.1
27	7 11 0	10 16 4	- 3 5 4	-30.2	-42.4
28	7 13 0	11 7 4	- 3 14 4	-32.7	-43.1
29	7 16 0	11 14 8	- 3 18 8	-33.5	-43.7
30	7 19 0	12 2 0	- 4 3 0	-34.3	-44.4
35	8 11 0	14 2 4	- 5 11 4	-39.4	-48.8
40	9 3 0	16 2 8	- 6 19 8	-43.3	-52.0
45	9 16 0	18 3 0	- 8 7 0	-46.0	-54.3
50	10 11 0	20 7 0	- 9 16 0	-48.2	-56.1

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[Continued]

## EXHIBIT LCC 3

LONDON LINES—BRITISH RAILWAYS AND LONDON TRANSPORT RAILWAYS  
Comparison between L.C.C. Suggested Monthly Season Ticket Rates and Ordinary fares

Mileage	L.C.C. suggested rate (a)	Cost of 22 days at suggested ordinary return fare (b)	Col. (2) compared with Col. (3)		Comparable % (RMR 6 Sheet 1, Col. 7)
(1)	(2)	(3)	(4)	(5)	(6)
	£ s. d.	£ s. d.	£ s. d.	%	%
1	1 0 0	11 0	+ 9 0	+81.8	+53.8
1½	1 3 6	18 4(b)	+	+28.2	
2	1 7 0	1 2 0	+ 5 0	+22.7	+ 3.8
2½	1 10 6	1 9 4(b)	+ 1 2	+ 4.0	
3	1 14 0	1 13 0	+ 1 0	+ 3.0	-12.8
3½	1 18 0	2 0 4(b)	- 2 4	- 5.8	
4	2 2 0	2 4 0	- 2 0	- 4.5	-19.2
4½	2 4 6	2 11 4	- 6 10	-13.3	
5	2 7 0	2 11 4	- 4 4	- 8.4	-22.5
5½	2 10 6	2 18 8	- 8 2	-13.9	
6	2 14 0	2 18 8	- 4 8	- 8.0	-22.1
6½	2 16 6	3 6 0	- 9 6	-14.4	
7	2 19 0	3 6 0	- 7 0	-10.6	-24.4
7½	3 2 0	3 13 4	- 11 4	-15.5	
8	3 5 0	3 13 4	- 8 4	-11.4	-25.0
8½	3 7 6	4 0 8	- 13 2	-16.3	
9	3 10 0	4 0 8	- 10 8	-13.2	-26.6
9½	3 13 0	4 8 0	- 15 0	-17.0	
10	3 16 0	4 8 0	- 12 0	-13.6	-26.9
10½	3 18 6	4 15 4	- 16 10	-17.7	
11	4 1 0	4 15 4	- 14 4	-15.0	-28.1
11½	4 3 6	5 2 8	- 19 2	-18.7	
12	4 6 0	5 2 8	- 16 8	-16.2	-29.1
12½	4 8 0	5 10 0	- 1 2 0	-20.0	
13	4 10 0	5 10 0	- 1 0 0	-18.2	-30.8
13½	4 12 6	5 17 4	- 1 4 10	-21.2	
14	4 15 0	5 17 4	- 1 2 4	-19.0	-31.5
14½	4 17 6	6 4 8	- 1 7 2	-21.8	
15	5 0 0	6 4 8	- 1 4 8	-19.8	-32.1
15½	5 2 0	6 12 0	- 1 10 0	-22.7	
16	5 4 0	6 12 0	- 1 8 0	-21.2	-33.3
16½	5 6 6	6 19 4	- 12 10	-23.6	
17	5 9 0	6 19 4	- 10 4	-21.8	-33.8
17½	5 11 0	7 6 8	- 15 8	-24.3	
18	5 13 0	7 6 8	- 13 8	-23.0	-34.8
18½	5 15 6	7 14 0	- 18 6	-25.0	
19	5 18 0	7 14 0	- 16 0	-23.4	-35.2
19½	6 0 6	8 1 4	- 2 0 10	-25.3	
20	6 3 0	8 1 4	- 18 4	-23.8	-35.5
20½	6 5 0	8 8 8	- 2 3 8	-25.8	
21	6 7 0	8 8 8	- 2 1 8	-24.7	-36.3
21½	6 9 0	8 16 0	- 2 7 0	-26.7	
22	6 11 0	8 16 0	- 2 5 0	-25.6	-37.0
22½	6 13 6	9 7 0	- 2 13 6	-28.6	
23	6 16 0	9 7 0	- 2 11 0	-27.3	-38.5
23½	6 18 0	9 14 4	- 2 16 4	-29.0	
24	7 0 0	9 14 4	- 2 14 4	-28.0	-39.0
24½	7 2 6	10 1 8	- 2 19 2	-29.3	
25	7 5 0	10 1 8	- 2 16 8	-28.1	-39.2
25½	7 6 6	10 9 0	- 3 2 6	-29.9	
26	7 8 0	10 9 0	- 3 1 0	-29.2	-40.1
26½	7 9 6	10 16 4	- 3 6 10	-30.9	
27	7 11 0	10 16 4	- 3 5 4	-30.2	-42.4
27½	7 12 0	11 7 4	- 3 15 4	-33.1	
28	7 13 0	11 7 4	- 3 14 4	-32.7	-43.1
28½	7 14 6	11 14 8	- 4 0 2	-34.2	
29	7 16 0	11 14 8	- 3 18 8	-33.5	-43.7
29½	7 17 6	12 2 0	- 4 4 6	-34.9	
30	7 19 0	12 2 0	- 4 3 0	-34.3	-44.4
35	8 11 0	14 2 4	- 5 11 4	-39.4	-48.8
40	9 3 0	16 2 8	- 6 19 8	-43.3	-52.0
45	9 16 0	18 3 0	- 8 7 0	-46.0	-54.3
50	10 11 0	20 7 0	- 9 16 0	-48.2	-56.1

Note: (a) In Col. (2) the rates for whole mileages are as proposed by B.T.C.

(b) In Col. (3) the ordinary single fares are as proposed by the B.T.C. except for the following (which do not apply to British Railways)

1½ miles ... 5d.      2½ miles ... 8d.      3½ miles ... 11d.



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[Continued]

EXHIBIT LCC 4

## ESTIMATES OF DISCOUNTED YIELD FROM B.T.C. PROPOSALS AND L.C.C. SUGGESTIONS FOR L.T.E. SERVICES

Mileage (1)	(a) Existing (2)	L.C.C.		B.T.C.		Rail		Road (d)		Rail Seasons	
		s.	d.	s.	d.	Estimated L.C.C. yield in £000's	Estimated B.T.C. yield in £000's	Estimated L.C.C. yield in £000's	Estimated B.T.C. yield in £000's	Estimated L.C.C. yield in £000's	Estimated B.T.C. yield in £000's
1	3	3	3	3	3	—	—	—	—	—	—
14	5	5	5	6	6	—	113	—	664	—	290
2	6	6	6	6	6	—	—	—	—	230(b)	—
24	8	8	8	9	9	—	107	—	340	—	—
3	9	9	9	9	9	—	—	—	—	—	—
34	11	11	11	10	10	41	83	145	131	290	167
5	11	11	11	10	10	106	106	167	167	—	—
6	13	13	13	14	14	—	—	—	—	—	—
7	13	13	13	14	14	—	—	—	—	—	—
8	17	17	17	18	18	—	—	—	—	—	—
9	19	19	19	10	10	235	235	183	183	—	—
10	11	11	11	2	2	—	—	—	—	—	—
11	21	21	21	2	2	—	—	—	—	—	—
12	23	23	23	2	2	—	—	—	—	—	—
13	25	25	25	2	2	—	—	—	—	—	—
14	27	27	27	2	2	—	—	—	—	—	—
15	29	29	29	2	2	—	—	—	—	—	—
16	210	210	210	3	3	—	—	—	—	—	—
17	30	30	30	3	3	—	—	—	—	—	—
18	32	32	32	3	3	—	—	—	—	—	—
19	34	34	34	3	3	—	—	—	—	—	—
20	36	36	36	3	3	—	—	—	—	—	—
etc.	36	36	36	3	3	—	—	—	—	—	—
Day Returns, etc.											
		488		750		495		481		1,644	
		63		63		—		—		—	

Estimates based on RMR 8, appendices B and C

(a) Existing charges prior to "Emergency" increases 15.4.62

(b) Allowing for 4 mile charging (See EXHIBIT LCC 1)

(c) RMR 8—Transcript P.46—Item 1—Column 13

(d) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 50% 31-4 miles 50%

(e) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 55% 31-4 miles 45%

(f) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 50% 31-4 miles 50%

(g) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 55% 31-4 miles 45%

(h) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 50% 31-4 miles 50%

(i) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 55% 31-4 miles 45%

(j) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 50% 31-4 miles 50%

(k) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 55% 31-4 miles 45%

(l) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 50% 31-4 miles 50%

(m) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 55% 31-4 miles 45%

(n) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 50% 31-4 miles 50%

(o) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 55% 31-4 miles 45%

(p) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 50% 31-4 miles 50%

(q) Column 7 assumes the traffic between 3 and 4 miles as follows: 3-34 miles 55% 31-4 miles 45%

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[Continued]

C2 (1962)

## LONDON TRANSPORT EXECUTIVE ORDINARY RECEIPTS AND TRAFFIC

LONDON TRANSPORT EXECUTIVE RECEIPTS FROM ORDINARY FARES AND EQUIVALENT PASSENGER JOURNEYS AT CHARGES OPERATIVE PRIOR TO 15th APRIL, 1962, BASED UPON BUDGET FORECAST FOR YEAR 1962 AND ATTRIBUTED TO SEPARATE FARE VALUES ON BASIS OF

Single Fare (1)	Passenger Receipts from Ordinary Fares							
	Railways		Central Buses		Country Buses		Total (excluding Coaches)	
	£ (2)	Per cent of total (3)	£ (4)	Per cent of total (5)	£ (6)	Per cent of total (7)	£ (8)	Per cent of total (9)
s. d.								
2	18,031	.08	797,663	1.64	81,834	1.33	897,428	1.18
3	804,056	3.74	12,281,095	25.25	961,755	15.65	14,046,906	18.41
4	18,350	.09	223,735	.46	60,839	.99	302,924	.40
5	813,715	3.78	6,785,001	13.95	810,578	13.19	8,409,294	11.02
6	1,310,438	6.09	6,955,234	14.30	875,105	14.24	9,140,777	11.98
7	38,290	.18	116,731	.24	58,995	.96	214,016	.28
8	1,525,909	7.09	4,503,879	9.26	527,890	8.59	6,557,678	8.59
9	1,191,858	5.54	4,197,460	8.63	532,807	8.67	5,922,125	7.76
10	362,389	1.68	92,412	.19	26,425	.43	481,226	.63
11	2,287,163	10.63	5,170,219	10.63	695,044	11.31	8,152,426	10.68
1 0	298,136	1.39	9,727	.02	6,760	.11	314,623	.41
1 1	2,129,138	9.89	3,166,334	6.51	478,727	7.79	5,774,199	7.57
1 2	221,939	1.03					221,939	.29
1 3	1,802,273	8.37	1,882,291	3.87	299,281	4.87	3,983,845	5.22
1 4	177,567	.83					177,567	.24
1 5	1,454,095	6.76	1,128,402	2.32	200,955	3.27	2,783,452	3.65
1 6	153,022	.71					153,022	.20
1 7	1,171,391	5.44	622,566	1.28	189,278	3.08	1,983,235	2.60
1 8	125,213	.58					125,213	.16
1 9	1,074,135	4.99	345,330	.71	84,192	1.37	1,503,657	1.97
1 10	101,019	.47					101,019	.13
1 11	983,073	4.57	165,369	.34	76,203	1.24	1,224,645	1.61
Other Fares	3,458,800	16.07	194,552	.40	178,832	2.91	3,832,184	5.02
TOTAL	21,520,000	100.00	48,638,000	100.00	6,145,400	100.00	76,303,400	100.00

Single Fare (1)	Passenger Journeys from Ordinary Fares							
	Railways		Central Buses		Country Buses		Total (excluding Coaches)	
	Number (2)	Per cent of total (3)	Number (4)	Per cent of total (5)	Number (6)	Per cent of total (7)	Number (8)	Per cent of total (9)
s. d.								
2	2,163,720	.46	95,719,560	4.39	9,808,080	4.18	107,691,360	3.73
3	64,324,509	13.66	982,487,600	45.04	76,940,400	32.82	1,123,752,509	38.93
4	1,101,028	.23	13,424,100	.62	3,650,340	1.56	18,175,468	.63
5	39,058,323	8.30	325,680,048	14.93	38,907,744	16.60	403,646,115	13.98
6	52,417,355	11.14	278,209,360	12.75	55,004,200	14.93	365,631,095	12.67
7	1,312,792	.28	4,002,206	.18	2,022,685	.86	7,337,683	.25
8	45,777,304	9.73	111,932,267	5.13	15,836,700	6.75	196,730,374	6.82
9	31,782,864	6.75	2,217,888	.10	14,208,187	6.06	157,923,318	5.47
10	8,697,330	1.85			634,200	.27	11,549,418	.40
11	49,901,729	10.60	112,804,778	5.17	15,164,596	6.47	177,871,103	6.16
1 0	5,962,711	1.27	194,540	.01	135,200	.06	6,292,451	.22
1 1	39,307,156	8.35	58,455,397	2.68	8,838,037	3.77	106,600,590	3.69
1 2	3,804,679	.81					3,804,679	.13
1 3	28,836,365	6.13	30,116,656	1.38	4,788,496	2.04	63,741,517	2.21
1 4	2,663,507	.57					2,663,507	.09
1 5	20,528,405	4.36	15,930,381	.73	2,837,012	1.21	39,295,798	1.36
1 6	2,040,295	.43					2,040,295	.07
1 7	14,796,512	3.14	7,863,992	.36	2,390,880	1.02	25,051,384	.87
1 8	1,502,561	.32					1,502,561	.05
1 9	12,275,834	2.61	3,946,629	.18	962,194	.41	17,184,657	.60
1 10	1,102,022	.23					1,102,022	.04
1 11	10,258,160	2.18	1,725,590	.08	795,162	.34	12,778,912	.44
Other Fares	31,086,885	6.60	1,746,687	.08	1,529,330	.15	34,362,902	1.19
TOTAL	470,702,226	100.00	2,181,574,049	100.00	234,453,443	100.00	2,886,729,718	100.00

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